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Latin America Report



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23 JANUARY 1987

LATIN AMERICA REPORT

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INTER-AMERICAN AFFAIRS

CARIBBEAN LEADERS HAIL, ASSESS TRINIDAD-TOBAGO ELECTION

Seaga's Hopes

Port-of-Spain TRINIDAD GUARDIAN in English 17 Dec 86 p 5

[Excerpts] Kingston, Jamaica, 16 Dec (CANA)--Jamaica's Prime Minister, Edward Seaga, forecast today "moderate policies" from the new Trinidad and Tobago Government, and looked forward to a strengthened relationship between Kingston and Port-of-Spain.

In congratulations to Mr Robinson, Mr Seaga noted that he led a new party, "but one within which the leaders are known for sound thinking and moderate policies."

He looked forward to "the continued strengthening of the relationship between Jamaica and Trinidad and Tobago," Mr Seaga said.

Mr Seaga had a round of talks with Mr Robinson, when the Trinidad and Tobago politician visited Jamaica at mid-year for the launching of his book, "Caribbean Man," a collection of speeches over 25 years."

Just over a year ago, Mr Seaga also hosted the outgoing Prime Minister, George Chambers, for an official visit, when the focus was on matters of intra-regional trade.

Charles' Remarks

Port-of-Spain TRINIDAD GUARDIAN in English 17 Dec 86 p 5

[Text] Roseau, 16 Dec (CANA--Dominica's Prime Minister, Eugenia Charles, welcomed today the new Government in Trinidad and Tobago, and said she looked forward to improved intra-regional relations.

She was the first Commonwealth Caribbean leader to comment on the victory of the National Alliance for Reconstruction (NAR) over the People's National Movement.

In an interview with Cana's Radio Service, which mounted special reports on the election, the Dominica leader said:

"First of all, it is indicative that democracy is alive and kicking in the Caribbean; that people have a right to change a government when they seek to do so, and that there is no attempt to prevent them having that right in Trinidad and Tobago."

Very Decisive

Ms Charles continued, "Secondly, it is obvious that when the people in the Caribbean decide to change a government that has been there for a long time, they do so in a very decisive way.

"This the second one like that we have had this year," she added, in reference to the overwhelming victory of the Democratic Labour Party (DLP) over the Barbados Labour Party (BLP) in Barbados, last May.

Ms Charles said the third thing that struck her was that Trinidad and Tobago was fortunate that the alternative choice "is a party that is, in fact, a democratic party."

"And so, even though one has regrets about the relationships with the past Government, one is glad that Trinidad and Tobago will again and still have a democratic party."

"I think change, sometime, is good for everyone, and it is obvious that the Opposition worked very hard and were able to keep in touch with the people of Trinidad and Tobago and were able to understand what their needs were, and what they were crying out for, and therefore responded to the needs of the people..." and therefore the people had asked them to take over the reins and look after the interests of Trinidad and Tobago.

"We in the Caribbean will welcome this new Government, especially because we know it is a party that is devoted to democracy, and we will work very well with them.

"We hope that, in fact, the regional feeling that has sometimes become a little loose, because of economic problems in some of the islands, will strengthen as a result of this new Government coming in.

"And we can assure the people of Trinidad and Tobago that we not only abide by their decision. but that we rejoice with them that they have got the decision that they wanted, and we look forward to working even more closely than ever with Trinidad and Tobago."

Grenadian Comment

Port-of-Spain TRINIDAD GUARDIAN in English 17 Dec 86 p 5

[Excerpts]

ST GEORGE'S, Dec. 16, Cana—GRENADA Prime Minister Herbert Blaize has welcomed last night's elections result in neighbouring Trinidad and Tobago, in which the new National Alliance for Reconstruction (NAR) scored a stunning win, ending 30 years of unbroken rule by the People's National Movement (PNM).

"I salute the people of Trinidad and Tobago in the manner in which they exercised their democratic rights, and I congratulate the party that has just won," Mr Blaize told Cana.

"I wish them well, because they are not succeeding to a bed of roses, and they would have to take decisions to turn around the economy of Trinidad and Tobago," he said.

Mr Blaize said he expected relations between Grenada and Trinidad and Tobago to return to the level of cordiality which existed before Port-of-Spain opposed the US-led invasion of Grenada, three years ago.

Mr Blaize said there were hundreds of Grenadians living in Trinidad and Tobago, and he hoped that the new leaders there would recognise this.

Public Utilities Minister, Dr Keith Mitchell, in welcoming the outcome of

the Trinidad and Tobago polls, felt that it would provide a renewed opportunity for improved relations between the two countries.

"The fact that we have had very little ministerial contact in the past, we certainly look forward to more direct contact between representatives of our two Governments," he said.

"I also think it (the results) would certainly improve the understanding in the Caribbean of the Trinidad people and their importance to the Caribbean," he added.

Dr Mitchell said, too, the fact that one of NAR's deputy political leaders, lawyer Karl Hudson-Phillips, who led the Prosecution team in the just-ended Bishop murder trial here, would be an important person in the new administration, should help improve relations.

He sees the presence in the NAR of Hudson-Phillips, whose father was born here, as helping to create a better atmosphere for serious discussions between the two countries on important issues.

Grenada Opposition Reaction

Port-of-Spain DAILY EXPRESS in English 17 Dec 86 p 16

[Text]

ST GEORGE'S, Tuesday (CANA) — A Grenada opposition politician says the loss of their Parliamentary seats by two Caribbean prime ministers in general elections this year was a lesson to the others.

Phinseley St Louis was among Grenadian lawmakers welcoming the new administration of the National Alliance for Reconstruction which won yesterday's general elections in Trinidad and Tobago.

"I recognise the Prime Minister of Trinidad and Tobago (George

Chambers) lost his seat and that it also happened in Barbados. I wish that other prime ministers in the area would recognise that too, for people would be willing to say no to them if they do not govern in the way in which the people are expecting them to do," he said.

Senator Albert Forsythe, an executive member of the Grenada Democratic Labour Party (GDLP) said his party

looked forward to better relations between St George's and Port of Spain under the new government.

Relations between the two Caricom neighbours have been improving slowly since Port of Spain opposed the 1983 US invasion of Grenada.

Leftwing leader Kendrick Radix said the NAR's 33-3 margin of victory was overwhelming.

St Lucia Opposition Comment

Port-of-Spain DAILY EXPRESS in English 17 Dec 86 p 16

[Text]

CASTRIES, Tuesday (CANA) — The leader of the main opposition St Lucia Labour Party (SLP) says he is

looking forward to the new Trinidad and Tobago Government improving trade relations with Caribbean Community

(Caricom) countries, especially those in the Organisation of Eastern Caribbean States (OECS).

Julian Hunte made the comment today in a congratulatory message to Prime Minister-elect A.N.R. Robinson following his National Alliance

for Reconstruction (NAR) party's sweeping victory in yesterday's general elections.

The NAR, a coalition of four opposition parties, won 33 of the 36 seats in Parliament, ending the 30-year rule of George Chambers' People's National Move-

ment (PNM). Chambers was one of the defeated candidates.

Hunte said the victory was an indication that the people of Trinidad and Tobago positively wanted a change of government.

Mitchell Evaluation

Port-of-Spain TRINIDAD GUARDIAN in English 18 Dec 86 p 5

[Text]

KINGSTOWN, Dec. 17, Cana—ST VINCENT Prime Minister James Mitchell has predicted greater warmth in Trinidad and Tobago's relations with its Caribbean Community (Caricom) partners, following the change of Government in Monday's general elections.

But Mr Mitchell cautioned that the new A.N.R. Robinson administration would need time to settle before changes could be made.

Furthermore, he added that the new Government faced serious challenges that would require structural adjustments in Trinidad and Tobago's economy.

Mr Mitchell said he believed the Na-

tional Alliance for Reconstruction (NAR) Government would generate some "warmth in the contact" with other Caricom Governments.

He said former Prime Minister George Chambers' administration was not that "warm" with other countries and Governments in the region.

"We got along, but I do not believe there was any great warmth in the relationship," Mr Mitchell added.

Trinidad and Tobago, Mr Mitchell said, would have to go through a period

of structural adjustment, if it must keep a proper balance of payments and return to some status of economic vigour.

He said he was concerned about the effects that any structural adjustment could have on the economies of the other islands, especially St Vincent and The Grenadines, whose trade with the twin-island republic was second only to that with Britain, to which it exports the bulk of its No. 1 cash crop, bananas.

The Vincentian leader said his administration would be very sensitive to any structural changes in the Trinidad and Tobago economy.

"We will, of course, have to give them time to sort themselves out. They have got big problems to deal with, and we will give them every sympathetic consideration as they get their act together," Mr Mitchell declared.

More From St Vincent

Port-of-Spain DAILY EXPRESS in English 19 Dec 86 p 18

[Text]

KINGSTOWN, Thursday (CANAL) — Prime Minister James Mitchell of St Vincent and the Grenadines has pledged his administration's support to the new Trinidad and Tobago Government to "ensure progress in the Caribbean".

In telegram congratulating new Prime Minister A.N.R. Robinson on

Monday's overwhelming victory in the Trinidad and Tobago general elections, Mitchell said his government was ready to co-operate in every way with the National Alliance for Reconstruction (NAR) Government.

Mitchell said he also looked forward to Trinidad and Tobago taking its "rightful place" in the region.

The leader of the Opposition Vincent Beache is awaiting a "wait and see" attitude to the trade policies of the Robinson administration.

Beache said that the defeated George Chambers government had failed to fully implement "the (1984) Nassau Agreement" on improving trade within the Caribbean Community.

"We will have to wait

and see whether this new administration is willing to have free trade as envisaged by the Nassau Agreement, and if this is not so, if we're still going to have these quota restrictions and licences restrictions."

Beache said he hoped that Robinson's new Cabinet would be more liberal and would adopt a more "outward" approach to the benefit of the entire region.

Venezuelan President's Letter

Port-of-Spain DAILY EXPRESS in English 18 Dec 86 p 3

[Text]

VENEZUELAN President Jaime Lusinchi has congratulated A.N.R. Robinson on his election as Prime Minister of Trinidad and Tobago and expressed his wish for continued cooperation between the two countries.

In a letter to Robinson issued yesterday by the Venezuelan Embassy in Port of Spain, Lusinchi said the people of Trinidad and Tobago had affirmed their commitment to democracy.

He expressed Venezuela's "wishes for the steady progress" of Trinidad and Tobago and

reiterated his country's desire to continue the "friendly and historic links" between the two countries.

Lusinchi, who visited Trinidad and Tobago in September for talks on cooperation in various fields, expressed his wish for further cooperation between the two countries during the term in office of the National Alliance for Reconstruction (NAR). He said Venezuela wished the NAR Government would be "very successful."

"I avail myself of the opportunity to renew to your excellency the assurances of my

highest...consideration," he added."

In a message sent on December 16 to former Prime Minister George Chambers, Lusinchi said the general election on December 15, "revealed the democratic vocation of the people of Trinidad and Tobago."

"I am pleased to salute you cordially and reiterate the assurances of my highest consideration and esteem," Lusinchi told Chambers whose People's National Movement (PNM) lost by a landslide 33-3 seats to the NAR.

Simmonds Message

Port-of-Spain DAILY EXPRESS in English 18 Dec 86 p 19

[Text]

BASSETTERE, Wednesday (CANA) — St Kitts and Nevis Prime Minister Dr Kennedy Simmonds today expressed hopes that the policies of the new Trinidad and Tobago Government will mean peace, progress and prosperity expected by all.

Dr Simmonds' hope

was voiced in a message of congratulations to Prime Minister, A.N.R. Robinson on his resounding victory at the polls on Monday.

Robinson's National Alliance for Reconstruction (NAR) won 33 of the 36 parliamentary seats in the general elec-

tion, with the remaining three going to the People's National Movement (PNM) which had been in power for 30 unbroken years.

Dr Simmonds hoped the new government will continue to support and

strengthen Caribbean integration.

He said that St Kitts and Nevis looked forward to developing even closer and better relationships with Trinidad and Tobago.

Implications for Region

Port-of-Spain TRINIDAD GUARDIAN in English 19 Dec 86 p 5

[Text]

BRIDGETOWN, Dec. 18, Cana—FORMER Diplomatic Editor of Britain's Guardian newspaper, Patrick Keatley, says the outcome of Trinidad and Tobago's general election represents a warning to English-speaking Caribbean leaders to come to grips with the problems of their countries.

Keatley spoke in a British Broadcasting Corporation (BBC) World Service current affairs programme last night, monitored here by Cana.

Keatley, described as "very significant" the results of the election, in which the opposition National Alliance for Reconstruction (NAR) scored a massive victory over the People's National Movement (PNM), which had ruled for 30 years.

"This is very significant. It's a warn-

ing bell for other leaders in the English-speaking Caribbean that if they don't get it right, they're going to be out..." Keatley declared, noting that the recent general election in Barbados also resulted in a landslide victory for the then Opposition party, supposedly for the same reason.

"...The voters are saying: time for a change...I found, going to all the territories in the Caribbean, that this is the mood. They want to get the old fellows out," Keatley, who returned to London recently, after a tour as visiting lecturer at the University of the West Indies (UWI), added.

Keatley said it was difficult to label specifically the ideology of the NAR, although he offered a comparison with the Democrats in the United States.

"...It's certainly more to the centre than the People's National Movement (PNM)," he said.

Keatley said he did not believe Prime Minister A.N.R. Robinson had determined yet the specifics about his foreign or regional policies.

"I don't think he's made up his mind. It's terribly easy to put your toe into that

swamp and get really bogged down..." he declared, noting that this had happened to some other leaders, including Mr Robinson's predecessor, George Chambers.

"(He was) one of the victims. He could not decide...He was a person who dithered. He couldn't make up his mind," said Keatley.

"...I think, there, the lesson for Robinson is that if you get it wrong as a new leader, you're cooked.

Feeling His Way

"You'll rapidly lose the prestige which you've won in this election. So he's feeling his way.

"He knows that (American President Ronald) Reagan...is losing his popularity and glamour and, therefore, to be too closely associated with the United States is risky," said Keatley.

But he noted that regional exports to the United States had fallen 30 per cent, and that the Caribbean Basin Initiative (CBI), which promised easy access to the US market, had not lived up to expectations.

"...So don't trust the Americans as your true friend...On the other hand, don't rebuff them, because Grenada showed that their paratroops could drop in anytime," Keatley declared.

/9274

CSO: 3298/070

ANTIGUA AND BARBUDA

BRIEFS

EDF LIVESTOCK LOAN--St Johns, 19 Dec (CANA)--The European Development Fund (EDF) has approved a loan and grant agreement for U.S. 1.6 million dollars for a livestock development programme in Antigua and Barbuda, Agriculture Minister Robin Yearwood has said. Yearwood said the project will provide comprehensive assistance to stimulate and promote livestock production, mainly beef, and includes such components as improved feeding and production techniques, and the establishment of new communal grazing areas, as well as the rehabilitation of existing ones. Yearwood said the strengthening of the veterinary and livestock division of the Ministry of Agriculture is also an essential part of the project, which involves the development of a credit facility for livestock farmers. He said the Antigua Government will contribute just over EC 500,000 dollars (one EC; 37 cents U.S.) to the four-year livestock development programme. The EDF contribution of U.S. 1.5 million dollars will meet the cost of vehicles and equipment apart from general development expenditure and the credit scheme. [Text] [Bridgetown CANA in English 1514 GMT 19 Dec 86 FL] /9274

CSO. 3298/071

HAVANA COMMENTARY ON DOMESTIC SITUATION

PA050334 Havana International Service in Spanish 2300 GMT 4 Jan 86

["Our America" commentary]

[Text] While the political situation in Argentina seems uncertain following the enforcement of a law which pardons military leaders, the new year does not seem too favorable--above all concerning economic matters. Practically right after the bells tolled announcing the arrival of 1987, the Argentines received another blow--directly aimed at their already meager salaries. The increase in fuel, electricity, transportation, and communication prices range from 5 to 10 percent. These announcements are no longer news, given their frequency in this southern country. However, the fact that the number of bankruptcies in Argentina increased 96 percent during 1986 compared to the previous year is indeed something new.

The situation particularly affects the small and medium-sized companies, which get small credits and have to pay high interest rates if they want to survive. While the phenomena of bankruptcies increases, the Argentine Government is engaged in difficult negotiations with the IMF and creditor banks to attain a new renegotiation of the foreign debt and the approval of new loans to continue paying the interest on that debt. It is well known that the new credits requested by the Argentine Government--if they are ever approved--will not resolve the country's foreign debt problems, and some political organizations have requested a 10-year moratorium on its payment.

While the cost of living quickly increases discrepancies prevail between the government and the General Confederation of Labor [CGT] concerning salary increases for 1987. The CGT is opposed to the establishment of new salary increases through decrees because, according to the main labor leaders, the increases should be approved in joint labor-management meetings bearing in mind the real deterioration of salaries in the country.

In this situation, in which conflictive situations in the economic and social sectors can be foreseen, President Raul Alfonsin is immersed in the preparation of the so-called democratic convergence pact. The plan, as explained by the president, is comprised to several changes and reforms in the administrative, judicial, and military sectors to modernize the state's activities. Despite all these projects, 1987 appears difficult and full of expectations for all the Argentine people.

CONDOR 33 LEGION THREATS DENOUNCED

PY051338 Buenos Aires TELAM in Spanish 1205 GMT 3 Jan 87

[Text] Buenos Aires, 3 Jan (TELAM)--Intransigent Party [PI] leaders Armando Fertita and Juan Carlos Wlasic, political prisoners' lawyers connected with human rights organizations, today denounced here that they have received threats by telephone from a self-styled Condor 33 Legion.

Fertita said through Radio Mar del Plata that he received death threats by telephone at his home on 31 December. He said that his wife answered the phone since he was not home.

They said they would send me a present, but that it would not be just white handkerchiefs. It was a male voice and he said that I have been condemned to death, Fertita said.

The politician said that the Condor 33 Legion has already made warnings of this kind, not only to myself but to other people who are connected with human rights organizations, and to relatives of missing people.

He said that this is an ultrarightist paramilitary group, and added that he and Wlasic, have reported these threats to the Interior Ministry, to the Buenos Aires Government Ministry, and to national and international human rights organizations.

/9274

CSO: 3348/155

BRIEFS

BY-ELECTION ACTION--The Supreme Court of the Bahamas annuled a June 30th parliamentary by-election that was challenged by the opposition Free National Movement. The court decision has the effect of vacating the House of Assembly seat that has been occupied by Dr (Mathew Rose) of the ruling Progressive Liberal Party. Opposition FNM candidate (Edmond Moxie) had appealed the results of the by-election by arguing that the 1981 register of voters had expired. [Text] [Bonaire Trans World Radio in English 1130 GMT 20 Dec 86 FL] /9274

CSO: 3298/072

BARROW TO CUT DEFENSE FORCE; CALLS U.S. 'REAL THREAT'

Opposition to Regional Security Treaty

Port-of-Spain TRINIDAD GUARDIAN in English 15 Dec 86 p 5

[Text]

BRIDGETOWN, Dec. 14, Cana—PRIME MINISTER Errol Barrow has stressed, once more, his opposition to militarisation of the Caribbean, and has announced plans to phase out the Barbados Defence Force (BDF), starting with a major cut in defence spending next year.

Mr Barrow spoke in an interview with the British Broadcasting Corporation's (BBC) Caribbean Magazine programme, recorded during his visit to London in late November, and broadcast here today by the privately-owned Barbados Rediffusion Service—a local cable radio system.

Mr Barrow rejected suggestions, by a senior United States State Department official, that a regional security treaty could be the start of a new West Indies Federation.

The Prime Minister made it clear that cooperation in military matters was, in no way, a move toward federation.

Better Alternative

The Barbadian leader said from a military standpoint, only Guyana and Belize were confronted with the possibility of an invasion.

As for the use of the military in anti-narcotics operations, Mr Barrow said proper policing still remained a better alternative.

Mr Barrow said the 1982 memorandum of understanding creating the Regional Security System was signed in a state of fear.

"It was signed in an atmosphere when the United States of America was trying

to terrify people that we were going to be objects of some communist infiltration, and some of the Governments fell for that kind of propaganda...," Mr Barrow declared.

"...It was not done after an examination of what the problems were, and what were the solutions to the problems," he added.

Mr Barrow dismissed the idea of some kind of military threat to the region, declaring that apart from Belize, which has a border dispute with Guatemala, and Guyana, which has a similar one with Venezuela, the invasion threat may be from the United States itself.

"There is no threat of invasion anywhere in the Western Hemisphere, except...Belize and Guyana, other than from the United States of America," he declared.

He said a late American Senator from Illinois, Everret Dirksen, cited 161 instances during the last 80 years in which there was aggression against countries in Latin America and the Caribbean.

"...On each and every occasion, it had been aggression by the United States of America...," Mr Barrow noted.

"It was not from Japan, England or France, or Germany, or any country like that. So our real threat is the United States," the Barbados Prime Minister added.

Mr Barrow warned that when the United States used the RSS agreement, as in Grenada, "we have to be very careful that they do not use it for political considerations."

Mr Barrow, in the BBC interview, also announced his Government's intentions to phase out, eventually, the Barbados Defence Force, and to trim defence expenditure, which was estimated, earlier this year, to have reached \$140 million during in the past seven years.

"We intend to demilitarise the Barbados Defence Force except for ceremonial (occasions)...We're going to phase them out....," Mr Barrow said.

BLP Plea on Defense Force

Port-of-Spain DAILY EXPRESS in English 17 Dec 86 p 19

[Text]

BRIDGETOWN, Tuesday (CANA) — The opposition Barbados Labour Party (BLP) today advised the government against phasing out the Defence Force, saying it was important in the fight against illegal drugs.

The party also took the government to task over suggestions that the United States could pose a military threat to Caribbean states.

In an interview with the British Broadcasting Corporation (BBC) heard here Sunday, Prime Minister Errol Barrow announced plans to phase out the Defence Force and sharply reduce defence expenditure from next year.

The BLP said Barrow apparently had not "recognised the value of the Defence Force in the war against proliferation of narcotic drugs in the Caribbean region".

It predicted the government's phase-out plan would lower morale in the force, "swell the ranks of the unemployed and heighten public restlessness".

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CSO: 3298/073

PAPER, AMBASSADOR TO U.S. SCORE U.S. CUT IN SUGAR QUOTA

FL180102 Bridgetown CANA in English 1956 GMT 17 Dec 86

[Text] Bridgetown, 17 Dec (CANA)--The United States has slashed imports of Barbados sugar by 40 percent, sending the annual quota tumbling from 12,000 to 7,000 [tons], an unexpected move dubbed here as a disaster and nonsensical, the newspaper DAILY NATION reported today.

In a dispatch from Washington, the paper said the 5,000-tonne cut caught Barbados by surprise mainly because of earlier U.S. assurances that the quota would not be touched, since it was already at the lowest possible level.

The NATION said the quotas of fellow Caribbean Community (Caricom) states Trinidad and Tobago, Jamaica and St Kitts-Nevis were also cut, but did not give their figures.

The reductions were made in accordance with a law designed to prevent the U.S. federal government from having to buy domestic surplus sugar.

The decision has drawn the anger of Barbados Ambassador to the United States Dr Peter Laurie, who termed the reduction a disaster for Caribbean economies and a move that resulted from a cynical approach to the region.

It is as if they have just cut the jugular to Caribbean economies, the ambassador said. It is, in my view, a whole negation of what the Caribbean Basin Initiative was supposed to stand for.

If the CBI is to be workable it must be based on free and fair trade, unrestricted access to the United States market for the products of our economies.

When you continue, as you have done, to do it with such an enormous cut of 40 percent this year and when you continue to deny and erode access of one of the most principal products of the Caribbean and of Barbados to the United States market, you are destroying the very concept of a meaningful CBI.

By reducing the amount of sugar imported, the United States is keeping domestic sugar at an artificially high price, U.S. 20.82 cents a pound.

The administration's latest reductions were based on projections that the production of domestic sugar would jump significantly next year by more than

330,000 tons, while consumption of sugar is likely to fall by 170,000 tons.

As the Barbados ambassador saw it, because sugar was one of the most important exports of CBI countries, the move just didn't make sense. On the one hand you can say you are going to do something for the Caribbean under the CBI act, and on the other hand come along and do something that is entirely damaging to the Caribbean. It is nonsensical, he added.

Under the CBI, most products of the designated Caribbean and Central American states are admitted duty free in the United States.

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CSO: 3298/073

BRIEFS

TRADE WITH KOREA--Barbados and South Korea recently discussed trade relations during a courtesy call made by the South Korean Ambassador, Mr Soo-Hong Min, on the Minister of Trade and Commerce, Mr Evelyn Greaves, at his Reef Road office. Mr Greaves pointed to the imbalance of trade over the past three years between the two countries in South Korea's favour. Ministry of Trade and Commerce statistics reveal that in 1985 Barbados imported \$1.7 million in motor cars from South Korea, \$585,007 in garments, \$613,225 in fabric, \$1.07 million in television sets and \$707,237 in video sets. There were no exports to South Korea, and the \$13,458 exported there in 1984 consisted of static converters and rectifiers which are electronic components. Mr Min Acknowledged the trade imbalance and noted the need for it to be redressed. [Text] [Bridgetown BARBADOS ADVOCATE in English 8 Nov 86 p 2] /9274

CSO, 3298/073

HAVANA RADIO COMMENTARY ON INTERNAL SITUATION

PA260255 Havana International Service in Spanish 2300 GMT 25 Dec 86

["Our America" commentary read by Manolo Ortega]

[Text] Crises within the cabinet, hunger strikes, and various social mobilizations are the factors prevailing in the current Bolivian political panorama, which has turned even grimmer in the past few days, with forceful measures being carried out by the miners to demand unemployment compensations and other benefits.

In this regard, we must point out that in the past few months Bolivian labor circles have been disturbed by the adoption of drastic economic measures by the government. The situation worsened in November when large groups of protesting workers demanded that the authorities implement a social and economic emergency program and establish a minimum wage with a scale that would be adjusted to cost-of-living changes.

There is one clearly evident fact: The economic readjustments being carried out by the government of Bolivia, which like other nations is trying to pull out from the deep waters of its foreign debt, are the result of yielding to pressure being exerted on its authorities by international banks and the private sector. These companies, which had been applying political pressure on the government of Hernan Siles Zuazo, recently described the measures taken as insufficient, which, among others, included an alarming devaluation of the Bolivian peso in relation to the dollar.

At present, statistics indicate that more than half a million people are unemployed in Bolivia as a result of the economic policy currently being applied in the country. That policy is based mainly on a decrease of fiscal expenditures and the massive dismissal of employees and workers in public entities.

One of the entities most affected by the dismissals is the Bolivian Mining Corporation. It now has less than half the number of employees it had before the current authorities assumed power. The dismissals, brought about by the closure of several state mining companies, have provoked--as a logical consequence--the most severe reaction of those affected by the government's measure. Those dismissed are also demanding compensation for

unemployment and a guarantee that they will be employed as soon as possible.

Starting on 22 December, hundreds of miners, who are among the approximately 4,000 dismissed workers throughout the country, began a hunger strike as an extreme, forceful measure to ensure that their demands will be met and that they will be able to provide food for their children, according to labor leaders.

While strikes were taking place, the government of Victor Paz Estenssoro also faced its first ministerial crisis caused by the resignation of Roberto Gisbert, minister of industry, commerce, and tourism.

Although that ranking official was replaced, his resignation a few hours after committing a violent action against a subordinate added another element to the already tense political-economic situation being experienced by the South American nation,

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CSO: 3348/154

FORMER PRESIDENT ADVOCATES MNR UNIFICATION

PY291359 La Paz La Red Panamericana in Spanish 1130 GMT 29 Dec 86

[Excerpt] The authentic Revolutionary Party, PRA, headed by former President Walter Guevara Arze, will propose the unification of all the forces and people who originally made up the basis of the Nationalist Revolutionary Movement, MNR, aimed at organizing a single MNR.

This statement was made to Radio Panamericana by Walter Guevara Arze, who is now in La Paz. He added that his party is working for the unification of the MNR.

[Begin Guevara recording] My party hopes to sponsor a process of unification of all the original forces of the national revolution. In other words, the unification of the coalition of forces called MNR which made the 9 April revolution. As everyone knows, that coalition is now divided. We have the MNRH [Historic Nationalist Revolutionary Movement], the MNRI [Nationalist Revolutionary Movement of the Left], and the PRA which came from the same source, as well as the other organizations such as the one headed by Serrate. What is going to happen is that those splinter organizations will never become anything unless they are organized into a single organization. [end recording]

Walter Guevara also denied the reports about his party's possible merger with the Vanguard faction headed by Carlos Serrate. Guevara added that talks were held but that no concrete agreements were reached. Asked about the current situation under the Paz Estenssoro administration. Guevara Arze said that the government is trying to adjust the country into the real Bolivian situation which should have been done long ago. He added that the government is trying to make the country live in reality.

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CSO: 3348/154

ARMED FORCES PLEDGE LOYALTY TO GOVERNMENT

PY031136 La Paz La Red Panamericana in Spanish 0000 GMT 3 Jan 87

[Text] Defense Minister Luis Fernando Valle and Armed Forces Commander in Chief General Gonzalo Saavedra Espinoza have said that the Armed Forces support the work being done by the government of President Victor Paz Estenssoro, and that they abide by and remain loyal to the Constitution. The minister and the commander spoke during a ceremony at which government authorities conveyed their wishes for a prosperous new year to President Victor Paz.

Minister Valle made the following statement to the journalists accredited to Government Houses.

[Began Valle recording] The Armed Forces commander in chief has just conveyed to the president the armed forces' total [word indistinct] to support the government and to properly discharge their duties. [end recording]

The minister added that all the people have confidence in the results of the economic reactivation plan, which will be implemented immediately. He admitted, however, that the people had a hard time in 1986. Now we expect the benefits of reactivation to reach all sectors, including the Armed Forces. so that we can improve the situation in our country, he said.

Gen Saavedra Espinoza praised the work being done by the government, adding that the Armed Forces have reiterated their support for President Victor Paz' constitutional government. It is the Armed Forces' duty to defend and protect a legally established government, Gen Saavedra said.

He also referred to the role to be played by the military in 1987. Concerning the social conflict in which the Armed Forces had to participate last year, Gen Saavedra said he hopes social peace will prevail in 1987.

[Recorded passage by Saavedra indistinct.]

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CSO: 3348/154

RONDONIA TO BUY THERMOELECTRIC PLANT FROM USSR

CERON Head Describes Deal

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 5 Dec 86 p 24

[Text] At the beginning of 1987, the government of Rondonia is scheduled to purchase a group of 20 thermoelectric power plants of Soviet make, at a total cost of \$16 million, with which it intends to raise the state's installed electrical capacity by over 62 percent. The plants are due to go into operation as early as next year, generating 50 megawatts (each with 250 kilowatts), based on the burning of diesel oil, according to an announcement made yesterday by the president of CERON (Rondonia Electric Power Plants), Rangel Moreira.

With a population of 1.5 million inhabitants that is growing 20 percent per year, Rondonia has been facing a serious power supply crisis. The Samuel hydroelectric plant that is being built by ELITRONORTE [Northern Electric Power Plants] will not go into operation until 1989, when it had been planned for 1983; and the president of CERON estimates that the suppressed demand in the electric sector will prove to be over 70 percent, in relation to the 150 megawatts currently installed.

Complaining of the lack of attention from the federal government, which has encouraged the settlement of the region but at the same time has failed to appropriate funds for the necessary infrastructure, Rangel Moreira explained that the Soviet Government is offering advantageous prices and good terms of payment (10 percent down, 5 percent when the machines go into operation, 2 years for a waiting period, and 8 to pay the remainder in half-yearly installments at 6.5 percent annual interest).

Despite the difficult financial situation of CERON, which owes PETROBRAS [Brazilian Petroleum Corporation] nearly 300 million cruzados and collects only 100 million cruzados per year from rates, the deal may be closed at the beginning of the year, because, by bartering, the Soviet government may start importing cacao directly from the state of Rondonia, rather than purchasing it on the London Stock Exchange (the USSR is already importing Brazilian cacao), as was explained by Rangel Moreira, who will travel to Moscow in January accompanied by CERON technicians.

Cotton Harvester Imports Planned

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 9 Dec 86 p 40

[Text] An association of cotton producers from Presidente Prudente and Votuporanga has just procured the concession from the Soviet enterprise, Tractor Export, to import and market Russian agricultural harvesting machines in Brazil. The producers, headed by the official broker, Hugo Sergio Nieri, from the Sao Paulo Stock Exchange, will establish an open corporation which will be responsible for the marketing of at least 100 harvesters in the country during the next 2 years.

With that business, the entrepreneurs hope to solve a serious problem currently being confronted by the cotton sector, namely, the high cost of the product and the loss of a market as a result of the lack of mechanization. Sergio Nieri claims: "All of Brazil has fewer than 150 cotton harvesting machines, imported in their entirety from the United States; and many are not in condition to be operated for lack of technological information on the part of the Brazilian producers."

The lack of mechanization has caused Australian cotton to arrive in the country at lower prices than that produced in Sao Paulo or Bahia, where the harvesting expense represents 30 percent of the final cost of the product. Without disclosing the price of the machines to be imported, Nieri only mentioned the supply from Tractor Export (which produces 10,000 harvesting machines per year as well as trucks, automobiles, and industrial equipment).

2909

CSO: 3342/47

CONSENSUS GROWING FOR 5-YEAR SARNEY MANDATE

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 11 Dec 86 p 4

[Article by Carlos Chagas]

[Text] Neither 4 nor 6: a 5-year term for President Jose Sarney and his successors. Such is the consensus that is being formed among deputies and senators elected or reelected on the 15th. A large number of them have been in Brasilia during the past 2 weeks and, starting yesterday, they headed once again for their states for the Christmas and New Year's holidays. The 5-year term is considered assured by leaders of the orthodox PMDB [Brazilian Democratic Movement Party], such as Severo Gomez, as well as by new PMDB members, like Prisco Viana; and it is also backed by Communist deputies, such as Fernando Santana, and liberals like Jose Lourenco, who reflect the trend among the majority of legislative groups. In their view and that of many others, 4 years would be too few for an administration to become affirmed and carry out effective government projects, but 6 years is a break from our republican tradition, and could cause an unnecessary prolongation of stalemates and indecision, as occurred during Joao Figueiredo's government. Hence, returning to the system established by the Constitution of 1946, not interrupted until 1964, the ideal arrangement would be for the National Constituent Assembly to set the 5-year term.

Obviously, the trend could change. If the government should confront increasing social and economic difficulties, and not find means for surmounting them, the ranks of those wishing to limit the president's term and move up the direct presidential elections would be swelled. They might establish 4 years for Sarney and his successors or, even worse, set the succession for immediately after the promulgation of the new Constitution, as early as 1987. Just as, on the reverse side of the coin, if things go well and if the present administration overcomes its main obstacles, there will be a greater possibility of confirmation of the 6 years stipulated by the present Constitution. Then, the elections would be held at the end of 1990. If the PMDB leadership, for obvious reasons, resists the 6 years (Ulysses Guimaraes is a candidate, and does not want to waste any time), on the other hand, the new governors would be greatly satisfied with that term. They would have time to complete their mandates fully and, in view of the administrative and political success, they would be in a position to see to the succession, many already entertaining notions and others, at least dreaming of becoming great electors.

Another issue soon to be decided, based on the talks held during the past 2 weeks among deputies and senators, relates to the government system. Most of the opinions converge in the direction of maintaining the presidential system, although the parliamentary system has supporters. There will also be much discussion in the Constituent Assembly regarding the so-called mixed system, an imitation adapted from what has been used in France and Portugal. However, the trend, once again, is for the preservation of our republican traditions.

This is not to say that those two questions have been settled and decided upon. The National Constituent Assembly will be sovereign, at least to decide on them, and will operate largely geared to the current circumstances. But there is every indication that the presidential terms will be 5 years, and that the government system will remain presidentialist.

The National Constituent Assembly will meet on 1 February to elect its board of directors, to create the other posts under its direction, and to begin working. With the almost certain appointment of Afonso Arinos for chairman of the Grand Constitutional Commission, it is likely that the notables' draft plan will be adopted as a starting point; not necessarily in the form in which it was submitted to President Jose Sarney and shelved by him, because certain exaggerations have been rejected by the newly elected senator from Rio de Janeiro himself. But the structure of the text from the Provisional Constitutional Studies Commission should prevail. The preparation of alternatives is being awaited. The Organization of Brazilian Attorneys, through its national administration, is completing a series of suggestions that chairman Hermann de Asis Baeta will make public in January. PT [Workers Party] has prepared a group, although it has not engaged in any proselytism in this regard. It has been commented that the attorney general of the republic, Saulo Ramos, has drawn up a list of 12 or 15 points considered essential by Planalto Palace, which may possibly be submitted to the largely majority government-backing legislative groups and be supported by them. The CNBB [National Conference of Brazilian Bishops] may perhaps do the same thing, as may working commissions and groups formed at various universities, beginning with Brasilia National University. However, there is missing a contribution from the so-called democratic center forces, including business-owning sectors. When it is time for the so-called silent mass of constituent members to be apprised of extreme propositions, it will require a democratic doctrinal foundation, leaning neither to the left nor to the right, to use for countering arguments in the dialogues and debates. Otherwise, it will become an easy prey of those who, even though in the minority, are prepared, and had already been making provisions for the situation many months ago.

2909

CSO: 3342/47

'WAR GAME' TO BE INSTALLED AT GOVERNMENT HOUSE

PY160208 Madrid EFE in Spanish 1236 GMT 14 Dec 86

[Text] Brasilia, 14 Dec (EFE)--General Paulo Campos Paiva, chief of the Brazilian Armed Forces Joint Staff, today said that Brazil has a computerized military defense system that is linked to a central unit that has the capacity to choose between attack or defense options in case of war.

Paiva said that his computerized defense equipment, known as "war games," will soon be connected to a command center that will operate at Government Palace. He added that access to this center will be restricted since only President Jose Sarney will have access to it in emergency situations.

Gen Campos Paiva added that even though Brazil is a peace-loving country, Brazil must gradually modernize its war equipment "to avoid being taken by surprise by a war."

He said that by 1987 the Brazilian Armed Forces will also have a modern inter-communication system that will be connected to 600 channels of the 28,000-channel "Brasilsat" satellite.

Campos Paiva also said that the computerized defense program, called "command, control and intelligence coordination KC3 I", [Coordinacion de Comando, Control e Inteligencia KC3 I] stores all Brazilian strategic data, that it can simulate emergency situations and that it offers solutions and answers on war operations and troop mobilizations.

The (C3I) is presently connected to the Navy, Army and Air Force staffs.

Campos Paiva also said that Brazil will seek to be self-sufficient in weaponry through the installation of new weapons factories or through the implementation of an emergency plan through which the already-existing weapons factories can be adapted to produce the Army equipment that is needed in case of war.

Brazil is at present the main Latin American exporter of weapons and it ranks 6th at the international level. The Brazilian war industry has experienced a gradual growth in 1986, and has become the third largest source of national income.

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CSO: 3348/136

STRIKE ISSUE SPARKS POLITICAL DIVISION WITHIN CUT

Different Cities, Different Views

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 7 Dec 86 p 61

[Excerpt] The question of the general strike scheduled for 12 December split the plenary session of the Third Regional Congress of the Sole Central Organization of Workers (CUT) of Greater Sao Paulo yesterday into two main groups, depending upon the political interpretation that should be given to the work-stoppage protests against the Second Cruzado Plan: on the one hand a majority group, called Grassroots CUT ["CUT pela Base" in Portuguese], led by Domingos Galante, president of the Chemical Workers Union of Sao Paulo, and on the other a group in which banking workers predominated.

Domingos Galante held the point of view that the Third CUT Congress took a whole year to be organized and to him many ideas about political guidance of workers were revised. Thus, no matter how important the general strike became, it could not be understood as the main point of the congress.

On the other hand, members of other unions--bankers and journalists, for example--felt that the strike is the most important political event of recent times and that the congress should be devoted exclusively to its preparation, to avoid the movement not reaching the majority of workers.

The group that prevailed was Grassroots CUT, apparently more to the left than the bank workers. Several speakers of the first group severely criticized the CGT [General Central Organization of Workers] and the USI [Independent Labor Union], entities that are also helping lead the 12 December strike, believing that they apparently want only to strengthen the federal government, even through a collective work stoppage.

At the closing session of the Third Regional Congress of the Greater Sao Paulo CUT today, formation of picket lines, preparation of the movement and the question of mass transportation will be discussed. It is not yet known whether buses will run on 12 December, but stoppage of the Metro was considered virtually certain.

Meanwhile, at 1500 hours today, at 644 Tomas de Lima Street, headquarters of the Federation of Commercial Employees of Sao Paulo State, there will be a national

meeting of USI members, also to prepare for the general strike. Antonio Pereira Magaldi, president of the two entities, will preside over the meeting.

New CUT

A new CUT began to emerge toward the end of this week in Sao Bernardo do Campo. The conclusion, even before the plenary of the Third Regional Congress of the ABC [refers to industrial sections of Santo Andre, Sao Bernardo do Campo and Sao Caetano do Sul]/Mogi CUT, scheduled for all day today at the Sao Bernardo and Diadema Metalworkers Union hall, was anticipated yesterday by the president of the ABC-Mogi regional, Vicente Paulo da Silva. What in CUT will change? The orientation expressed to the labor leaders of this region intends to become broader from a philosophical point of view, including it in the national economic and social context, especially during the work of the Constituent Assembly, pushing into the background the domestic aspects of sectoral union questions and relations with employers. Lastly, according to Paulo da Silva, CUT resolved to combat problems at their source, rather than the effects of economic policy. The congress that ends today in Sao Bernardo must decide on forming a group representative of the national CUT to act as a kind of lobby in Brasilia.

In Rio, the inter-union plenary session of CUT and CGT, held yesterday in the Railroad Workers Union hall, with 98 entities participating, approved calling the general strike and decided not carry out any public action before or during the stoppage, in order to avoid "incidents with provocateurs." The vice president of the CGT in Rio, Rui Calandrini, said that the decision is a precautionary measure and that the recommendation is for the workers to stay home on 12 December.

In Belo Horizonte, representatives of 40 Minas Gerais labor unions, brought together by CUT and CGT, ratified yesterday the decision of the two entities to promote the strike. The Minas labor leaders decided to carry out a broad mobilization of the workers on the basis of a distribution of pamphlets which begins tomorrow.

'Grassroots CUT'

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 9 Dec 86 p 31

[Article by Itaborai Martins]

[Text] "Grassroots CUT" is the name of a growing group of labor leaders and activists of the Sole Central Organization of Workers who differ politically with the entity's state and national leaders. It is not an opposition, but close to it. The Grassroots CUT group consists of communists, Trotskyites and some of the church leaders who are more to the left. This group is preponderant in the CUT of the city of Sao Paulo, and at the state level represents about 50 percent. Of course, this group will have a large participation in the strike next Friday, but it sees the collective work stoppage as one of the many strikes that must emerge from now on, at least if this depends upon their desire and effort.

Labor leaders of the chemicals and plastic products sectors, as well as of the metalworkers opposition, are the mainstay of Grassroots CUT. In the entity's Third Regional Congress, held at the end of last week, this group greatly outdid

the bank workers and the journalists, among other unions belonging to CUT. Of the seven members elected Sunday night to the Regional CUT Executive Board, five are from Grassroots CUT, one is from the Socialist Convergence and one is from the bank workers.

In general the leaders of the Grassroots CUT are better speakers than the traditional members and political followers of the "leaders," an expression with which they demonstrate the political divergence with the CUT leaders, such as Jair Meneguelli and others.

The principal divergence, according to Francisco de Souza--also called Chico Gordo, of the metalworkers opposition, a little over 30 years of age, with the hair and face of an Indian, close beard, lively eyes, calm expression--is that the "leaders" try to act more in the economic field than in the political. "That type of action is an error of strategic evaluation," says Chico Gordo, with his voice strong and clear.

For him and his colleagues, the political struggle must center its axis (the Grassroots CUT group uses the expression "axis" quite frequently) on the anti-imperialist struggle (the problems of El Salvador and Nicaragua are cited constantly). Nonpayment of the foreign debt, rather than the moratorium proposed by the CGT, is part of this anti-imperialist struggle, Francisco de Souza comments.

Another criticism of the "leaders" is the way in which the tactical alliance with the CGT is being conducted, for Friday's strike. This is because, Chico Gordo adds, it was not made sufficiently clear to the workers why Meneguelli and Joaquinzaio are taking similar positions.

"We of the Grassroots CUT--communists, Trotskyites and the church--are headed toward a single political project, that passes through the PT [Workers Party]," says Chico Gordo.

Those opposed to the Grassroots CUT group, however, make the criticism that this tends toward sectarianism, something like the "Partidao," which existed in the 1950 decade. The fear of the opposition is that sectarianism will create problems for the CUT and the PT with the workers. However, whether or not the group can or cannot constitute a problem for the "leaders"; the fact is that its members do not give the same impression of sectarianism of the old Partidao of three decades ago, although the slogans are the same.

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CSO: 3342/49

POLITICAL MOTIVATIONS BEHIND STRIKES ANALYZED

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 12 Dec 86 p 3

[Article by "C.C.,": "History Repeats Itself for the Good of the Right"]

[Text] Brasilia--Some people never learn. Or imagine that they know too much, which amounts to the same thing. The general strike about to emerge today is essentially political. It is not being called for wage requests, for specific grievances or, much less, for reasons pertaining to the functions performed by the various categories of workers. It is an attempted late response to the election on the part of the CUT [Sole Central Organization of Workers] and the PT [Workers Party], to which can be added the anemic CGT [General Central Organization of Workers], about to follow the same path as the PDS [Social Democratic Party] and fall through the grating. PT and CUT were badly defeated at the 15 November elections and now intend to demonstrate strength, for carrying out their future plans.

For this reason the threat is to bring the nation to a standstill. A dress rehearsal that will, if it proves successful, lead to presentation of even more painful shows during the coming year, that of the work of the National Constituent Assembly. If a given proposal made by Lula, as a deputy, is not accepted by the full session, there will be a general strike. The whales are left out of the new constitution? Everything must stop. Do the constituents refuse to include the golden lion tamarin and the wire-haired blind cats in the text to be promulgated? Another strike. Imagine how far things can go, also allowing for the use of other practices besides the strike, such as circling the congressional palace, filling the galleries, forced interruption of work, riots, looting and fires.

It is for just this reason that it is said that some people never learn. Or imagine they know too much. Because things will turn out the way they always do. On this side of the world, whenever the democratic center loses control of the process, involved by the inconsequential fireworks of the extreme left and the extreme right, the result has been the same: the Right wins; much more powerful and better organized. Recollection of 1964 should constitute a permanent warning. As a result of the incitement and the confrontation of forces during that period authoritarianism was imposed, disguised in the first moments, but soon exposed.

Is this what the radicals of the CUT and the PT intend? If it is, they are on the right road. They are following the model faithfully. They think that the worse things get the better it is.

It is deplorable to see these things being repeated. It would be funny if it weren't so tragic. Don't the organizers of today's general strike realize that over on the other side the same old groups are rubbing their hands with glee? Once again the chickens are calling for the fox to guard the henhouse. Later, the same old thing will happen. A few will be picked up, will suffer, others will disappear or go into exile, frequently pleasant and washed down with caviar. The democratic center remains, suffering and repressed, unable to move to Paris, left to carry on the resistance, stick out their necks, and suffer through a much longer period. At last, victorious, this democratic center will witness the return of the extremists, pontificating and bragging that the democrats and liberals are passe, garbage to be thrown away. They have performed their role.

Take just one personal example. During the bitter times of the dictatorship, especially during the administrations of Garrastazu Medici and Ernesto Geisel, who confronted and opposed the thunderbolts from Olympus? It was Paulo Brossard, indefatigable, first as a lawyer, later as a senator, in the struggle against the usurpers. When the censor permitted, there were pages and pages written about him; he was always to be found on magazine covers and in the writings of commentators. Brossard, along with Ulysses Guimaraes and a few others, bore the full weight of pressure from the dictatorship. Which was overthrown by him and others like him. Those who support today's general strike, with rare exceptions, remained hidden, well ensconced or sitting on the fence, cheering on the liberals and the democrats, but saving their own skins.

Now, the character of the minister of justice is excoriated and he is called a conservative, a reactionary and even a rightist. Why? Because he knows that without the law there is no salvation. He has to comply with it and, in the case of bad and pernicious laws, the remedy is to change them as soon as possible. But was there any initiative on the part of the radicals to change the pernicious law? Don't even think of it. What bill has the PT introduced to change the Strike Law, for example? How many speeches has the party made, through its representatives, clamoring for extirpation of the authoritarian garbage from the constitution, or for a new Press Law or a new National Security Law? What bills have the extremists introduced to establish reforms in the social and economic order? Zero. A thousand times zero.

It will not be said that the situation is catastrophic, that we are on the brink of chaos or that everyone should go out and buy toothpaste and a toothbrush, to be kept in one's pocket for any eventuality. Not yet. But the signs are unmistakable. The videotape is being shown again; the personalities, although not the same, are dressed today as they were yesterday.

Had the PT and the CUT not been soundly soundly defeated at the polls, eager to give a response to the government or the "establishment" that they oppose, would there be a general strike? Would that be the way to protest economic measures that are obviously disagreeable to the public? Moreover, if the nation were not living these perhaps brief moments of full democracy, would the promoters of the strike be able to carry it out? They couldn't have carried on like this during the time when Delfim Netto was bombarding the country with successive "packages" equal to or even worse than the latest one.

Whatever the result of today's action, whether a failure or a success, both a doubt and a certainty will be posed. The doubt is as to whether this is the right way for public opinion to express its disagreement with official acts that it disapproves of; the certainty is that everything is starting all over again.

STRIKE RESULTS TO PROMPT NO CHANGE IN TRANSITION PROCESS

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 12 Dec 86 p 4

[Article by Jose Neumann Pinto: "Nothing Will Change Sarney's Political Plan"]

[Text] Whatever the result of today's general strike--success or failure, peaceful or rowdy--the movement will not cause any profound change in the transition to democracy and in the political plan of the Sarney government. This conclusion is the result of lengthy conversations with occupants of important offices in Planalto Palace and on the Esplanade of the Ministries, including the chief of the president's civilian cabinet, Marco Maciel, who does not hide from anyone his complete tranquillity about the political results of the big national protest against the measures correcting the course of the Cruzado Plan.

Such habitual frequenters of the office of President Jose Sarney, on the third floor of Planalto Palace, do not hesitate in replying to the reporter's question about the state of the president's disposition. He is tense, concerned, but composed. And there is a clear intention to show the public this tranquillity of the the nation's chief executive. His sudden visit to Joao Camara, in Rio Grande do Norte, to learn on the scene about the problems caused by the earthquake in that state, today, on the very day of the strike, immediately after his participation in the ceremony of graduation of the cadets at Pirassununga, in Sao Paulo, is a tiring and obvious attempt to show that everything is completely under control and none of this will cause panic or fear in the top echelons of the federal government.

"Strikes are normal in a democratic regime and democracy in Brazil is now sufficiently strong and adult to withstand the impact that an action like this can cause on its political structure. What concerns us the most are the dire consequences for our fragile economy. But this too can be absorbed," comments calmly one of Sarney's most frequent interlocutors. According to this close adviser of the president, the only political consequence that can be expected from the success of the strike is a strengthening of the leadership of the president of CUT [Sole Central Organization of Workers], Jair Menegheli, who would be transformed, according to him, into a kind of Brazilian version of Saul Ubaldini, distinguished Peronist labor leader of the Argentine CGT [General Confederation of Labor]. But the political strengthening of Menegheli does not worry Planalto, nor would the eventual collapse of the movement cause a false euphoria in the Palace. "Many useful lessons can also be learned from defeats and we must be prepared for that," the adviser comments, aware that in a country of great economic and social

inequalities such as Brazil, it is not possible to bring about a change in a brief period and much less in a completely peaceful and serene way.

In a general way, one perceives in Planalto Palace a climate of anxious expectancy about what may happen today, especially in the urban transportation sector of Brazil's large cities, particularly Sao Paulo and Rio de Janeiro. But this expectancy is not enough to mask the climate of disappointment with which the federal authorities view the participation, or better, the omission of the leaders of the Democratic Alliance parties in regard to the strike action. One very discreet military authority revealed, in a complaining tone, "stupefaction" with the fact that political groups soundly defeated in the elections, held less than 1 month ago, managed to mobilize the nation around a protest, whereas the political victors remain reserved, demobilized, as if they were not part of the Sarney government's network of political support. The same authority expresses perplexity in view of a maneuver that he says is taking place, in which these same politicians are turning over to the armed forces sole responsibility for the control of the movement, as if the only support of the government were the military and the political parties were not part of that government. An occupant of a powerful office in Planalto Palace, in harmony with this preoccupation of the military, calls attention to the fact that the politicians of the Democratic Alliance want to benefit from all the measures that have made the government popular but do not want to make any commitment to the inevitably unpopular corrective measures such as were taken by the president in Cruzado Plan II.

An experienced politician, very close to Sarney, believes that the strike could have been avoided if the president had been more firm (threatening, for instance, to use emergency legal measures) in his statement of last week. But he praises the president's firm disposition in not accepting convenient suggestions such as a proposal by one of Sarney's direct advisers to decree today a national holiday, as a way to "fake out" the strike. "Now that the strike has been called, the government must act firmly to avoid disorder, protect the right of the citizen to work, but regard the strike as a normal contingency of democracies. Each cabinet minister should remain at his post and everyone should collaborate so that everything goes well," he feels.

"The government is alert, neither overestimating nor underestimating the movement. We only know that it is not a strike, but a political protest motivated by various ideas and with inevitable economic loss, at a time when the nation cannot give itself the luxury of wasting its productive system," said the chief of the civilian cabinet, Marco Maciel. Maciel assures that the mission of Labor Minister Almir Pazzianotto to promote the social pact was not motivated by the announcement of the national strike and will not be changed in any way, whether or not the strike is a failure or a success. "The Pazzianotto mission has a much greater scope and the great national pact will become part of the constituent assembly," says Maciel.

Another minister of the Sarney cabinet says that the climate of apprehension on the eve of the movement is normal during a period of liberalization, "during which many people tend to confuse liberalization with disrespect for existing laws, even when they know that democracy is the rule of respect for law." This important adviser of Sarney assured that a movement of this type had been expected earlier and he considers it lucky for the country that it is happening at a time when democracy is not incurring any more serious risk.

The director general of the Federal Police, Romeu Tuma, considers laudable the efforts to remain calm about political stability that are evident in the halls and offices of Planalto Palace. But yesterday he launched a parallel offensive asking that Planalto also act to moderate the psychological war, which in his opinion is "absurd" and which the promoters of the movement began, according to his conclusion, "to inhibit the initiative of the peaceful citizen to work." Tuma finds the expectation of violence and stoppage of mass transportation a "psychological picket line." "A peaceful citizen who wants to work may avoid leaving home so as not to get hit on the head with a stone or take part in violence," he feels. For this reason, his idea was that the government send a clear signal to society that order will be maintained at all cost. "The slogan of the government to the citizen, in my opinion, must be only one. Stay calm and go to work. The government guarantees it. Only this way can the psychological picket line be penetrated, which is today one of the most efficient weapons of the promoters of the movement." For this reason, he himself met the day before yesterday with the regional superintendants of the Federal Police and told them that they should not be impressed by either threats or fiction, should pay attention only to facts and act their parts. "According to these instructions, all will have autonomy to act, open investigations under the law and maintain contact constantly with the state authorities and the ministries of Justice and of Labor," he explained.

"The nation is mature for the practice of democracy and political protest is normal in a democratic regime. The government hopes that the worker is aware that he will be the most heavily penalized by the reduction of productive activities, resulting in slower economic growth and having social consequences. There are other ways of expressing political discontent. Movements like this do not solve the nation's problems, but in any event this movement will not harm the political institutions that the nation is constructing in this time of transition," summarizes the chief of the civilian cabinet, Marco Maciel, in harmony with the general feelings in Planalto Palace on this eve of the first general strike called by Brazil's central labor organizations.

8834

CSO: 3342/49

BRIEFS

RESERVES' DECLINE--Brasilia--From January to August of this year, Brazil spent \$1.02 billion of its reserves, according to Central Bank figures to be published in a few days in its monthly newsletter. Reserves, in terms of cash on hand, which were \$7.69 billion in December 1985, fell to \$6.67 billion this August. In the broader sense, which includes receivables, reserves fell from \$10.48 billion to \$9.11 billion during the same period--a difference of \$1.37 billion. The decline of reserves is a result of a reduction of the trade surplus, which has been shrinking since June and has not been sufficient to cover the nation's foreign obligations, mainly the interest and amortization of the debt. Meanwhile, with the accelerated growth of the economy, imports rose. The largest loss of liquid reserves occurred in June, when the Central Bank spent \$518 million. In July \$292 million was spent and \$314 million in August. The explanation is that the largest payments of interest abroad are concentrated in that period, although the trade surplus remained on a plateau slightly above \$1 billion. [Text] [Sao Paulo O ESTADO DE SAO PAULO in Portuguese 6 Dec 86 p 24] 8834

INVESTMENT IN DOMESTIC SATELLITES--The director of the National Space Research Institute (INPE), Marco Antonio Raupp, declared in Porto Alegre that investments amounting to 1.330 billion cruzados have already been ensured for 1987 to continue the project for launching four satellites (two for data gathering and two for remote sensors); which should offer the country extensive prospects in the areas of geology, meteorology, agriculture, cartography, and ecology and, in some respects, even in the military field. Raupp, who traveled to the south to deliver a lecture at the University of Rio Grande do Sul, said that INPE will spend 330 million on the project; the Space Activities Institute, 400 million cruzados; and the Alcantara Base Implementation Group, 600 million cruzados. He also announced that, during 1987, a satellite launching base will be constructed in Maranhao. [Text] [Sao Paulo O ESTADO DE SAO PAULO in Portuguese 11 Dec 86 p 9] 2909

CSO: 3342/47

PINOCHET ADDRESSES MINISTERS, UNDER SECRETARIES

PY242341 Santiago Domestic Service in Spanish 2200 GMT 24 Dec 86

[Text] Thanking the ministers of his cabinet who greeted him on Christmas eve, at La Moneda Palace, President Augusto Pinochet stated that in the government there is no room for hatred or fanaticism, which are characteristics of atheistic and inhuman doctrines.

Speaking on behalf of the ministers, under secretaries, and crops of admirals, Interior Minsiter Ricardo Garcia expressed best wishes for happiness and the spirit to serve the nation, in compliance with the mission entrusted to them.

Thanking the ministers and officers for their greetings, the chief of state said that a legal, political, economic, and social order is being built in the country. This order seeks to consolidate peace, order, freedom, and justice in the country. These are values that seek the full achievement of general well-being, Pinochet stated.

The president added that in the government there is no room for hatred or fanaticism, which are characteristics of atheistic and inhuman doctrines.

He concluded by saying that the government's objective is to serve the fatherland we all love, so that each of its inhabitants may be able to achieve their personal fulfillment.

/12624

CSO: 3348/149

DOCTOR HELD FOR INVOLVEMENT IN PINOCHET ATTACK

PY270213 Santiago Radio Chilena in Spanish 2200 GMT 26 Dec 86

[Excerpts] It has been reported that a 34-year-old doctor was detained by security personnel in relation to the attack on President Augusto Pinochet. He will be placed at the disposal of prosecutor Fernando Torres Silva.

This was reported by relatives of the doctor after a lawyer revealed the detention of medical school graduate and a schoolteacher, who are accused of running a clandestine clinic in the Las Condes district.

The three were detained separately on 18 December, according to their relatives. They are: Dr Manuel Ubilla Espinoza, 34, detained by personnel of the National Intelligence Center [CNI] on the corner of Chile and Espana Avenues, in the Nunoa district. The CNI has confirmed the arrest of this doctor.

According to the doctor's relatives, a Red Cross doctor visited him at the garrison on Santa Maria Avenue, and verified that he was in critical physical condition because he has been tortured.

The doctor's relatives said that they learned that he was in a coma and that he would be placed at the disposal of military prosecutor Fernando Torres Silva.

Meanwhile, lawyer Pedro (Fancea) reported that he has taken over the defense of two university students: Gina Carda, 26, and education student; and Alejandro Aravena Munoz, 27, a medical school graduate. These two youths, who are also members of the (Antumapu) Folklore Ballet, were arrested at their house in Las Condes District, where the clandestine clinic was located, according to lawyer (Foncea).

The lawyer added that after arresting the couple, CNI officers occupied the house, which they now intend to make appear to be a clinic with equipment, of unknown origins. He added that the doctor was working full time at the Requinoa Hospital when the armed attack on President Pinochet took place, and that Gina Cerda was fully engaged in her studies and in the folklore ballet.

The lawyer added that although all this evidence has been presented to the CNI, he was not allowed to see his clients at the Santa Maria Avenue Garrison.

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CSO: 3348/149

ITALIAN COMMISSION REPORTS ON TORTURE IN COUNTRY

AU131520 Rome ANSA in English 1047 GMT 13 Dec 86

[Text] (ANSA) Rome, 13 December--Hundreds of political prisoners were submitted to the most barbaric tortures in Chile during 1986, including the introduction of live rats into their bodily orifices, according to a report drawn up by a human rights commission working from the office of Italian Prime Minister Bettino Craxi.

The commission visited Chile on 3-9 December and is now finalising a report including recommendations for the Italian Government.

"We found a new outbreak of human rights violations in Chile this year," a member of the commission, Senator Margherita Boniver of Craxi's own Socialist Party told ANSA. "Chilean humanitarian organizations told us there is wide use of torture against political prisoners, with methods such as the rat treatment that had not been applied for some time. To these you must add electric shock treatment and ice-cold baths."

According to Boniver, the military junta in Chile is winning an increasing share of power. She added that the Chilean humanitarian organizations and political opposition are now worried that Pope John Paul II's planned pastoral visit may "unwittingly turn into a propaganda coup for the Pinochet regime."

"There is in fact a part of the Chilean military junta which would like to improve its image," Boniver noted, pointing to a recent memorandum banning torture in the country's jails--"thus implicitly admitting," the senator said, "the use of it."

According to figures provided by the Chilean humanitarian organizations, there are currently about 600 political detainees in the Chilean jails and a further 3,000 Chileans who are banned from returning home.

Craxi set up the Italian human rights commission in March 1984. Its first on-the-spot foray was to Afghanistan last year.

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CSO: 3348/139

NATIONAL PARTY RELEASES 'POLITICAL VOW' DOCUMENT

PY261442 Santiago EL MERCURIO in Spanish 16 Dec 86 p C3

[Text] The National Party [PN] Executive Board yesterday released a Political Vow, which was approved during a meeting held last weekend.

The six-point document ratifies the PN's independent line vis-a-vis both the government and the opposition, "in order to implement a broad agreement with the democratic forces."

The document also expresses the PN's "absolute repudiation of the violent and revolutionary actions of international communism, rejecting any relationship with the parties or movements committed to such an ideology."

In addition, the document clearly establishes the PN's decision "to promote any measures conducive to strengthening the National Accord for the Transition to Full Democracy, as was the case when the Basic Principles for a Future Democratic Regime were signed, in order to allow the latter to become a political pact, including all the democratic sectors, and a real alternative of government, ensuring the future stability and governability of the country and offering to the nation liberty, progress, and justice amid social peace."

The document states that "the free and direct election of the president of the republic, after previously reaching a political pact among the democratic forces, is best suited to the interests of our fatherland."

Point four of the Political Vow states the PN's intention "to show evidence that, if it is not possible to fulfill the goal mentioned in the preceding point and the plebiscite mechanism provided for under the 1980 constitution is implemented without changes, the PN trusts that the Honorable Government Junta and the National Accord for the Transition to Full Democracy, which is to be duly strengthened, will agree to designate the person whose name will be proposed to the nation to succeed the current chief executive."

The document also states that "within the above-mentioned context, efforts are to be increased to promote the unity of the democratic political forces with those with which we formed a single party to strengthen ourselves as a modern, broad, and powerful big organization that will attract other similar parties, something which would give confidence to the country and to the independent sectors which would view this big organization as a guarantee to stability for our future democracy."

The document was read yesterday by Tomas Puig during a press conference held in the Fernandez Concha Club. Present at the press conference were PN President Carmen Saenz and PN leaders Pedro Correa, Patricio Phillips, Fernando Ochagavia, German Riesco, and former Senator Julio von Mulhenbrock.

Relationship With the Armed Forces

During the press conference, Carmen Saenz stated that during the meeting, which was attended by 168 leaders, "the PN family was strengthened," adding that "we are convinced that we will play a very important role in the country's future."

For his part, Adolfo Ballas made a summary of the approach that, in the PN's opinion, must be made when reviewing the policy to be pursued regarding the Armed Forces."

Ballas said that the Armed Forces had to leave aside their specific duties in order to assume other duties and that "the Armed Forces now believe there is little possibility of there being a civilian government," adding that it is the responsibility of the civilians to demonstrate their capability

Ballas went on to say that "in our opinion, the president of the republic is not exercising a dictatorship but a constitutional government."

"There is an expressed and tacit acceptance that constitutional lawfulness is prevailing here and one must start from this point," Ballas added.

Other Decisions

In addition, the PN Executive Board released other decisions made during the meeting held on 14 and 15 December. One of the decisions made is to hold a general party convention in May 1987 to elect the top leaders of the various ranks, authorizing the Executive Board to fill the vacancies that may take place up to May 1987.

The PN Executive Board also decided "to place special emphasis on the party's internal organization in order to prepare it to fulfill the legal administrative paperwork that will be required to legally establish it."

In addition, it was decided to appoint former Deputy Juan Eduardo King as PN vice president and former Senator Julio Von Mukhenbrock and former Deputies Agustin Acuna and Alfonso Suarez as members of the party's court of honor.

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CSO: 3348/149

AD WANTS PRIVATIZATION OF STATE-OWNED FIRMS SUSPENDED

PY261526 Santiago EL MERCURIO in Spanish 16 Dec 86 p C2

[Text] The Democratic Alliance [AD] yesterday asked that the privatization of the state-owned enterprises be suspended "until there had been an exhaustive and impartial debate, investigation, and report on the motives, advantages, and safeguards that must be adopted to defend national property."

This statement was made yesterday by AD President Rene Abeliuk during a press conference. Abeliuk released a public statement. Also present at the press conference were political leaders Armando Jaramillo and Eduardo Cerda.

The statement supports such a position, noting that "we cannot figure out the reasons for transferring to the private sector enterprises that have been perfectly managed by the state."

The statement adds: "This does not imply in any way a criterion for opposing private or foreign enterprises. We believe, however, that private and foreign enterprises must allocate their investments and their savings to the opening of new resources."

The statement then notes that "on the other hand, it does not seem logical to us to allocate those savings and investments to acquire enterprises that are efficiently managed, that generate important contributions for the national budget, and that significantly contribute to national savings."

Elsewhere in the text, the AD expresses "its strongest support for the Committee for the Defense of National Property."

After reading the statement, Abeliuk pointed out that the rejection of the process of privatization of state-owned enterprises "is not due to an ideological problem but to a management problem of the state."

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CSO: 3349/149

JARAMILLO ON PRIVATIZATION, LEFTIST CONCLAVE

PY202258 Santiago Radio Chilena in Spanish 1600 GMT 19 Dec 86

[Text] We now continue with Interview Time on the Front Page program at Radio Chilena. Today we have an interview with former Senator Armando Jaramillo, the Democratic Alliance [AD] vice president and Republican Party [PR] president.

The issues to be discussed are the UDI [Independent Democratic Union] declaration against the AD regarding the sale of strategic enterprises, and UDI opposition to the document drawn up at the Leftist Conclave.

The UDI has accused the AD of demanding the suspension of the privatization of strategic enterprises, which are the property of all Chileans. In the opinion of the UDI, this shows a marked socialist tendency by the AD.

What is your response to this, Armando Jaramillo?

[Begin Jaramillo recording] It seems that the political bias or the desperation of that progovernment movement, vis-a-vis its administrative failure, is distorting the proper view of the problem.

We must recall that the AD has expressed support for private enterprise and foreign investment as long as it is aimed at creating new jobs.

The current situation is quite different. The operation of private enterprises is causing justified alarm. In fact, at the worst moment, after an important U.S. organization has stated that Chile is one of the seven riskiest countries in the world in which to invest, investments are being made at sell-off prices set by transnational partners. In addition, these investments are aimed at mortgaging important activities, which compromises our national security. [end recording]

Let us move on to the other issue, Mr Armando Jaramillo. What is your opinion of the conclusions of the Leftist Conclave, in which, among other things, a unitary agreement among opposition forces was proposed?

[Begin Jaramillo recording] I believe it is virtually impossible to express an opinion on the document drawn up by the so-called Leftist Conclave organization.

The summary published by the areas of this 16-page lampoon does not allow me to discuss this issue.

At any rate, without prejudging, I must assume indeed, as AD vice president, that this paper, which was not ratified by the Chilean Socialist Party -- a party that is led by Ricardo Nunez and is a member of our opposition organization; its leaders deserve all my respect and esteem -- contains goals and ideas that are very contrasting, goals and ideas which, we, the democrats, are responsibly proposing for the liberation of our fatherland.
[end recording]

Thank you, very much.

This has been all for this afternoon's Interview Time on the "Front Page" program at the Radio Chilena.

We have chatted with former Senator Armando Jaramillo, the AD vice president and PR president.

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CSO: 3348/149

SOCIALIST PARTY SECRETARY GENERAL RESIGNS

PY300219 Santiago EL MERCURIO in Spanish 28 Dec 86 p C3

[Text] Juan Carlos Moraga, the Authentic Socialist Party [Partico Socialista Autentico -- PSA] secretary general, has tendered his resignation because of the efforts being made by sectors in exile to change the PSA political line.

This announcement was made yesterday by PSA national secretary Miguel Pizarro, who pointed out that Moraga's decision is subject to the review of 6 points in the coming PSA plenum.

As reported, on the night of 26 December the secretary general read a letter addressed to the 23 members of the Central Committee, denouncing "factional activities, seeking to change the PSA political line, factional activities that are encouraged from abroad." The goal of such activities was aimed at provoking a rapprochement with the MDP [Popular Democratic Movement] and the traditional left.

In a statement, Pizarro noted that such a situation "provokes a political freeze in the renewal spirit endorsed by the secretary general, adding that "this group seeks to exert a decisive influence from abroad, for which reason Moraga tendered his resignation as secretary general until late January when a plenum can clear up the situation."

In this regard, Moraga proposed 6 basic points: Stipulate that the political committee must be in Chile; favor, as allies, those sectors that are advocating a democratic socialism; form a homogenous front together with these sectors, especially with the social democrats and the USOPO [Popular Socialist Union]; seek rapprochement with the AD [Democratic Alliance] and the National Accord for the Transition to Full Democracy, as advised by the withdrawal of the Socialist Party -- Nunez faction; try to form a democratic left without the communists; and register the Socialist Party as soon as the law on political parties is enforced.

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CSO: 3348/149

CHILE

POLICE INVESTIGATE EXPLOSIONS IN SANTIAGO

PY152357 Santiago Domestic Service in Spanish 1600 GMT 16 Dec 86

[Text] Police sources have reported on several terrorist attacks that took place in the last few hours in this capital.

The AFP, [Pension Retirement Fund] offices in Isuma, and Santa Maria located at 71 [name indistinct] and 1980 Maturana streets respectively, in Maipu District were damaged slightly as a result of bomb explosions.

Meanwhile, a bomb explosion on km 35 of the southern railway line near La Victoria Shantytown resulted in considerable damage to the railway line. However, it did not interrupt services.

Another bomb exploded at the entrance of a Mormon Church located at 4540 Juan Griego Street in the Musa Shantytown in San Miguel District. This bomb damaged the church's windows and walls, as well as 10 windows of a nearby house belonging to Carlos Huerta Orellana.

It was reported that the attack against the Carlos Valdovinos Carabineros Station only damaged the roof of the building's walls.

A fire that destroyed two CEMA-Chile [Chilean Mothers Centers] rooms located at 400 Elizaguirre Street in Talagante District is being investigated by the police as a possible attack.

Other unspecified actions are also being investigated by the police within this chain of extremist attacks.

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CSO: 3348/139

CENTRAL ORGANIZATION OF WORKERS PRESIDENT RESIGNS

PY191650 Madrid EFE in Spanish 0439 GMT 18 Dec 86

[Text] Santiago, 17 December (EFE)--Democratic Central Organization of Workers (CDT) President Eduardo Rios, a leader engaged in trade union activities for more than 30 years, this afternoon tendered his resignation as CDT president.

The "CDT" is one of the three leading labor union organizations opposing the Chilean Government, together with the National Workers Command and the National Central Organization of Workers [Central Nacional Sindical]. Rios surprised the observers of trade union activities and those who were attending the fourth national expanded CDT Executive Board Congress that it being held in Santiago.

Rios said that he is resigning, because on 31 December he will retire and dedicate himself to his family and private activities.

Rios asked his fellow union members not to oppose his decision, but to just name the person who will succeed him in approximately 4 months, the time required to complete the retirement process.

Asked by the journalists whether his retirement was due to recent announcements about the possible formation of a sole central organization of workers, Rios pointed out that he regretted that his departure coincided with that announcement, because he would have like "to have fought that proposal."

Rios said that "the political parties have learned nothing during the past 13 years, because when one talks about a participatory democracy it is absurd to think of sole trade union organizations. Such organizations, mean that one is simply not talking about the participation wanted by the democratic workers."

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CS0: 3348/139

COMMUNIST SANFUENTES COMMENTS ON LEFTIST CONCLAVE

PY262132 Santiago LA SEGUNDA in Spanish 18 Dec 86 p 8

[By Fernando Yanez]

[Text] Some people say that the Leftist Conclave is a new version of the Popular Unity, and that it has again brought the Communist Party [PC] to the fore. After the publication of the document signed by Luis Corvalan, Clodomiro Almeyda, and Luis Maira, and after the months of silence that followed the finding of the arms caches and the attack on Pinochet, the PC has demonstrated its intention to participate actively in the unification of the forces of the left.

In order to learn the public position of the PC, we have interviewed Jose Sanfuentes, secretary general of the Popular Democratic Movement [MDP], and one of the "visible" faces of the PC. Sanfuentes said that the international news agency report on internal divisions within the PC is "science fiction," but he admitted that there are different opinions within the leftist sector on how to implement unification.

Regarding the recent Leftist Conclave, Sanfuentes said that he is very happy with its results, mostly because the left-wing parties have sat down to consolidate the consensus and to smooth over disagreements.

Sanfuentes tried to minimize PC responsibility for the arms caches found in the northern region, and for the attack on President Pinochet, although the Manuel Rodriguez Patriotic Front [FPMR] has recognized that it possesses weapons, and has organized a guerrilla school. Commenting on that, Sanfuentes said that "it was only a modest project, nothing as big as the government would have people believe."

[Yanez] For years, the PC has advocated armed struggle against the government, and now, in a document signed jointly with the Christian Left and the MDP, it is advocating the nonmilitarization of politics. How can you explain that?

[Sanfuentes] The PC has never called for armed struggle as the primary way to oppose the dictatorship. We have always said that we are peaceloving people. We hate violence, and we are ready to conduct any type of struggle that is necessary to put an end to violence and terror in our country.

[Yanez] The Communists have always been the great obstacle to unity among leftist parties. Before the Conclave, the socialist faction led by Nunez even urged the PC to take a position regarding violence. How do you think this obstacle can be overcome?

[Sanfuentes] I do not think that the communists are the great obstacle. In fact, the MDP -- the most powerful left-wing front -- has the active support of the communists. Therefore, rather than being an obstacle, we have greatly contributed to formulating the proposal of the Left. Concerning the Nunez-led faction, we do not charge them with being the great obstacle to the unification of the left, because we think that they have their own legitimate positions. We also think, however, that they should agree more with the common front.

[Yanez] Nevertheless, none of the center-right opposition forces wants to deal with the communists...

[Sanfuentes] Eventually, this difficulty will be overcome. To this end, I will send those opposition forces two messages. If the center-right forces agree to dialogue with the regime as equals and without imposing previous conditions, the first message we will send them is that they should at least be ready to sit down at a table for talks with the forces that have fought for democracy from the very beginning, including the PC, as equals, without imposing previous conditions. The second message is that they should not consider themselves to be the guardians of the truth. We respect their position and their political line as that of center-right parties but we also demand respect for the position and the political line of the forces of the left, the MDP, and the communists.

[Yanez] Do you believe that the Left intends to set up the Popular Unity again?

[Sanfuentes] No, because the Popular Unity has already played its historic role. We all agree that in the new democratic Chile there should be unity among a broad spectrum of national progressive forces. It should include the philosophy of Salvador Allende and Radomiro Tomic [founder of the Christian Democratic Party and former senator].

[Yanez] Are you ready to give up your decision to struggle against the government until the end?

[Sanfuentes] We will never change our decision to struggle against the government to the end.

[Yanez] Does this include armed struggle?

[Sanfuentes] Under current conditions armed struggle is not the primary way to oppose the government, but we do not exclude this possibility, because the specific way to conduct our struggle against the government does not depend on us. When we say all types of struggle, we really mean all types of struggle. When I say that our people have developed various techniques for struggle, I am referring to barricades, strikes, stoppages, demonstrations, rallies, etc.

CNI FINDS CLANDESTINE FPMR HOSPITAL IN SANTIAGO

PY241849 Santiago Domestic Service in Spanish 1600 GMT 24 Dec 86

[Excerpt] A clandestine hospital used by the terrorist Manuel Rodriguez Patriotic Front [FPMR] organization, the armed branch of the Communist Party of Chile, has been discovered by the CNI [National Intelligence Center] in Las Condes district.

It was reported that three extremists, who on the afternoon of 7 September 1986 were injured in the attack on the president of the republic in Cajon del Maipo, were being cared for in the clandestine hospital.

In its official report, the CNI states that as a result of extensive intelligence work, it discovered a clandestine FPMR hospital where major surgery could be practiced. The clandestine hospital is located at 1218 Piacenza Street in Las Condes district.

According to the data available, it was established that three terrorists, who were injured in a clash in Las Aconupayas hill -- among them Juan Moreno Avila, alias Sacha, who is currently being held in detention and has been prosecuted by the military courts -- were being treated in this hospital.

The clandestine hospital was installed in mid-August 1986, following a decision by the FPMR national executive board, and equipped with sophisticated equipment which even permitted surgery right there.

No additional data was released, so as not to hinder subsequent investigations.

/12624

CSO: 3348/149

RESISTANCE MEMBER ON POLITICAL PRISONERS

PA251407 Havana International Service in Spanish 0000 GMT 25 Dec 86

[Interview with Margarita Jimenez, member of the Chilean "resistance," by Ramon Chong; no place or date given -- recorded]

[Text] [Chong] The broad popular protest movement in Chile and world support for it has forced the regime of Augusto Pinochet temporarily to suspend death sentences against three members of Chile's Movement of the Revolutionary Left. Margarita Jimenez, member of the Chilean resistance, is here with us to discuss this issue.

Do you think that the sentence against these patriots having been revoked means that they have been totally dismissed?

[Jimenez] Absolutely not. It is evident that international pressure, the hunger strike of political prisoners in Chile, and the large number of letters sent to the pope, who will visit in April, moved the dictatorship to postpone for the time being this attempt to make the murder of those political opponents appear to be legal.

The dictatorship is currently facing an enormous mass of organized people who cannot bear the prevailing situation anymore. It seeks to intimidate the people by carrying out these kinds of actions. The discovery of caches in the north, the attack against Pinochet, the mobilization of the masses, and the emergence of enormous opposition forces have led it to carry out these kinds of actions.

There are 19 companeros presently in jails waiting to be tried by this antiterrorist law, and they could easily receive the death sentence; there is no legal means in Chile to prevent this kind of action. Only the strength of the masses and international support can stop this.

[Chong] What is the condition of these jailed Chilean patriots?

[Jimenez] There are political prisoners who are not acknowledged as such in all Chilean jails. They are roomed together with criminals; some female prisoners are in male prisons together with criminals, murderers, and so on. Given that they are labeled as criminals, they are treated very differently than political prisoners.

There was a charade involving these companeros who had been sentenced to the death penalty; they tried to kill them in the public jail. However, they are organized and continue to be in organizations of political prisoners linked to foreign human rights organizations, but their condition is very poor. They are being defended in tribunals that guarantee absolutely no impartiality.

[Chong] You just mentioned the broad participation of popular forces. How have they expressed themselves?

[Jimenez] In protests in towns involving the banging of pots and pans at given hours, or turning off lights. These actions slowly led to going out into the streets, lighting up bonfires, setting up barricades, and engaging in stone-throwing with the carabineros. The demonstrations involved students, professionals, workers, and even peasants -- that is, the new countryside workers who have suffered with this [word indistinct] system.

The atmosphere prevailing in Santiago is presently the same that prevailed during times of the bourgeois democracy.

[Chong] According to numerous reports, there has been an increase in repression during the more than 100 days since the state of siege was established by Pinochet in Chile. Could you tell us about the results of this period of terror?

[Jimenez] In reality, I do not know how many people have been arrested only because they were walking down the street, because they were in a group of three or four at a corner, or because they demonstrated -- because, despite the state of siege the people go out and demonstrate. The murder of our comrades -- Comrade Carrasco and the two others who were murdered after the attack against Pinochet -- is evidence of a blind, crazy, desperate reprisal for an action that he never believed could happen to him.

The burial ceremonies of these comrades were wholly political actions. In the midst of the state of siege, the comrades marched with banners and sang, and speeches were made in the midst of the shouts, the bombs, and the water from the police. I believe that this is the first time that the state of siege was not able to faze the people.

The raids on houses do not happen only in poor districts, they are even searching the houses of the bourgeoisie. The displeasure is absolute. They are the ones who are terror-stricken this time, and that is why they react this way.

[Chong] Do you believe, then, that the increase in terror will not help Pinochet achieve his ends?

[Jimenez] Not at all. He will never be able to change through fear the Chilean people's decision to be free. We are convinced that he will not be able to paralyze the people's struggles either with the force which he is using right now or by means of the pseudo-democratic state which he is attempting to establish after 1989.

[Chong] One important aspect for Chilean democracy is to achieve unity. What can you say in this regard?

[Jimenez] Unity is taking place at this very moment. Once and for all we will be able to make it clear who really is for changing the structure of the Chilean society, for turning the state into a new state for all Chileans, and who wants to go back to a bourgeois democracy. But they are not going to be able to achieve such a democracy -- it will not even be like the one they had in the times of Frei. What Pinochet is attempting right now is to consolidate the repressive, counterinsurgency state which imperialism needs in the area. We do not believe that solution will be good for anyone except imperialism.

[Chong] Margarita, we have learned that the Chilean regime's jails are full of patriots. We would like to hear your comments on the prisoners' position concerning the regime's repressive policy.

[Jimenez] Pinochet has really become synonymous with a killer and repressor. Our jails have been full since the first day [of his regime] and are currently the area where the dictatorship carries out its greatest repression. We have many companeros in all the jails throughout the country, from the north to the south, and they are living in the most incredible conditions. People have been in jail 5 or 6 years without a trial, facing charges that have no legal grounds. There are also companeros who have been arrested during a demonstration, a protest. Even children are taken to the CNI [National Intelligence Center] installations and beaten to intimidate them, and then they are released. Those people remain under arrest 3-4 days, but there are many companeros who have not had a trial and risk being sentenced to death.

The people facing the worst risks in the jails -- because they can be killed inside the jails or because they can face another trial, almost certainly by a military court that will condemn them to death -- are the members of the Manuel Rodriguez Patriotic Front, the companeros of MIR [Movement of the Revolutionary Left], and the companeros who comprise all the Chilean resistance brigades. These companeros were arrested and accused of carrying out attacks against Pinochet's henchmen. Several companeros are accused of participating in arms trafficking, given the arsenals found in the north. There are also those accused of participating in the attack on Pinochet. These ones are withstanding the worst repression; the CNI tortures them, drags them from the jails at will, and justice looks the other way because the possession of weapons is currently considered a major crime, even though our enemy has not only carried weapons since the first day but has also used them against all of us.

[Chong] Companera, do you believe that the popular movement, the international movement must maintain the struggle and strength it has maintained so far for the defense of these condemned companeros?

[Jimenez] Undoubtedly, yes. I believe that the defense of the political prisoners' lives in Chile is a task that cannot be neglected a single minute. Pinochet will insist because he is desperate now, and he has to show the world that he is still strong. That is the only thing he can do: Murder our comrades who are currently in prison. I think that it is indispensable to continue insisting because even though the life sentences of companeros Palma, Aranea, and Marchant were commuted, that does not mean a thing. The military court can sentence them again any day and this is quite possible. Also, they are not the only ones facing this, there are many others.

[Chong] We would like to hear your viewpoint about Chile's outlook for next year.

[Jimenez] I think that next year will be an extremely difficult year, because Pinochet and the right wing -- it is evident that the bourgeois opposition is also involved -- will try to present candidates and hold elections, to play a democratic game that will leave them in good standing with imperialism. That is what they think. We have the obligation to unmask this because it is not democracy or anything like it. We must continue our struggle to attain a change in the institutionalization which is currently taking place. We must prove that the 1980 constitution is totally invalid and we have nothing to discuss with them. They are our enemies, they have behaved as our enemies, and we must treat them as such.

[Chung] We thank Margarita Jimenez, a Chilean fighter, for the interview with Radio Havana Cuba.

/12624

CSO: 3348/149

BRIEFS

CARABINEROS KILL MIR LEADER--Santiago, 5 December (EFE)--A man who 1 week ago was killed in a clash with Carabineros, after robbing a bank in a small town near Santiago, has been identified as Luis Barra Garcia, one of the top leaders of the Revolutionary Movement of the Left (MIR). According to police reports, Barra Garcia, 44, a physician, was the MIR national director and was in charge of the financial structure of the MIR, which is clandestinely led by Pascal Allende, a nephew of late President Salvador Allende. [Excerpt] [Madrid EFE in Spanish 1535 GMT 5 Dec 86 PY] /12232

YOUTHS OCCUPY RADIO STATION--Santiago, 18 December (AFP)--An armed subversive commando today attacked Santiago's Radio La Ciudad, and after overpowering six employees, attempted to broadcast a proclamation. Police spokesmen have indicated that three young individuals stormed into the radio station carrying automatic weapons, and shut the employees in one of the bathrooms. They then broadcast a proclamation for a few seconds. Carabineros and security agents are conducting an extensive investigation to try and locate the perpetrators of the attack. The political leanings of the group are not known. [Text] [Paris AFP in Spanish 2320 GMT 18 Dec 86 PY] /12232

CSO: 3348/139

BRIEFS

OIL POLICY CHANGES ANNOUNCED--Bogota, 12 Dec (DPA)--According to a decision adopted by the Colombian Mines and Energy Ministry, the foreign oil companies operating in Colombia must deposit [reintegrar] 25 percent of the total value of their exports in the Bank of the Republic [issuer]. Likewise, Minister Guillermo Perry Rubio has announced that from now on, the oil produced in Colombia will mainly be used for self-supply, and that only surplus oil will be exported. The minister also confirmed that the Colombian Petroleum Enterprise (ECOPETROL) will be directly responsible for carrying out development plans in the crude oil production areas. This step is being taken because, in his opinion, the fact that this work is currently being done by foreign companies like Occidental makes the people think that these companies are the sole owners of what is produced. The development projects are basically being carried out in the regions of Arauca and Casanare, near the Venezuelan border. Minister Perry Rubio also announced the opening of international bids to exploit and explore the Putamayo area, near the Ecuadoran border. The bidding was opened because many foreign companies are interested in this contract. [Text] [Hamburg DPA in Spanish 1648 GMT 12 Dec 86 PA] /6662

SOLDIER, REBELS DIE IN CLASHES--One soldier and six guerrillas have died as a result of violent clashes between columns of the America Battalion and Army patrols which have been taking place in the northeastern part of Cauca Department in the last 30 hours. An official spokesman of the 10th Brigade Command reported that the first confrontation took place in the rural area of La Mina Corregimiento, Toribio Municipality. Soldier Alberto Rodriguez Villalobos died in this clash. A noncommissioned officer and two unidentified soldiers were wounded in the same confrontation. Afterward the military spokesman said that in the same area, another lengthy armed confrontation took place. Five men and a woman, who belonged to a column of the America Battalion, died in this clash. The 10th Brigade command spokesman said that military patrols confiscated six rifles, six tents, and other objects which are being examined by the Army secret organizations. [Excerpt] [Bogota EL SIGLO in Spanish 11 Dec 86 PA] /6662

CSO: 3348/135

COSTA RICA

COFFEE PRODUCTION INCREASES DESPITE RUST OUTBREAK

San Jose LA NACION (supplement) in Spanish 11 Nov 86 p 1-C

[Article by Levi Vega M.]

[Text] Confusion among growers and uncertainty in the government about the possible negative economic impact were the first reactions in Costa Rica when the appearance of rust in the coffee crop in the San Carlos area was reported on 13 December 1983.

The alarm spread throughout the entire coffee sector of Costa Rica, while news agencies told the world about the disease that was threatening the Costa Rican coffee industry.

Now, 3 years later, even with the advance of this fungus, coffee production has not slowed down; it has actually increased considerably.

Just in San Carlos alone, where the Venecia district was the port of entry for rust, 3,000 hectares of coffee plantations have been infected; the negative impact on the harvest there is 5 percent (the same percentage also holds true for other coffee plantations in Costa Rica infected by this rust outbreak). For this reason, specialists in the coffee department of the MAG [Ministry of Agriculture and Livestock], directed by engineer Gerardo Hidalgo, feel that its economic impact will not be too serious.

Some of the areas hardest hit by this disease now are Turrialba and Jimenez in Cartago province, where the crops (in the case of Turrialba) are located at an altitude under 600 meters in at least 18 communities. This low altitude favors the spread of this disease. In Jimenez the areas most heavily damaged by this fungal disease are Tucurrique and Pejibaye. In both areas, farmers grow coffee on a small scale, and the crop can not be described as of very high quality, according to the coffee specialist.

The deputy director of the MAG's coffee department, engineer Jose Maria Alpizar, spoke of the efforts made against rust in Turrialba just as soon as people became aware of its appearance; an executive committee was set up

to combat it, composed of professionals from state agencies, private industry, and cooperatives. This group has conducted intensive public information programs, and has also worked to train coffee growers in different areas.

In the South

In southern Costa Rica, rust has not yet reached Coto Brus, but it has been found in the Valle de El General, whose central region is the area where coffee is most widely grown. All of this area has been affected by the disease, which has been reported in San Pedro, Pejibaye, and Convento. According to the specialists, the conditions in El General favor the spread of this fungus: heavy rainfall and high temperatures.

Research on places which have been attacked by rust is less important now than it was in the beginning of this outbreak, for we can essentially speak of areas where it has not yet arrived, as the disease is found almost everywhere that coffee is grown. Mr Alpizar pointed this out, saying that to date the total area affected amounts to about 8,000 of the 110,000 hectares planted in coffee.

Nonetheless, said the official, because of the cycle of the rust fungus, we can not determine with precision what the true level of infection has been until toward the end of each year. So in January we will be able to assess the damage once again.

Action

Speaking of what has been done to cope with the rust outbreak, the executive director of ICAFE [Costa Rican Coffee Institute], attorney Mario Fernandez Urpi, mentioned the way in which, through the MAG-ICAFE cooperative program, intensive work has been done, oriented toward research and technology transfer. These programs have produced excellent results.

International organizations have given extensive assistance. West Germany's GTZ program was mentioned as one such example. This program provides financing so farmers can purchase spraying equipment; arrangements were made to purchase agrichemicals at cost through cooperatives and regional agricultural centers, and training is being provided for coffee growers.

In addition, the FAO has given considerable economic support.

ICAFE allocated 5 million colons for a plan to combat rust, in addition to the investments it has made in cooperative programs; this has also helped to boost technology transfer efforts.

Plans

About the projects being conducted in the cooperative field, engineer Jorge Arturo Benavides, who is in charge of these programs, said there are some very promising lines of coffee for commercial use. He mentioned the example of "catimores" (a combination of the hybrid "timor" with "catuai" or "caturra"), like the series T-8600, which shows excellent conditions. He noted, though, that they are barely in the process of selecting this series, and would have to wait for official approval before planting it.

In the calibration and use of spraying equipment, the engineer Marco A. Alvarado has done such outstanding work that his assistance has been requested in other countries.

The work being done by plant pathologists in the rust-combat program has covered areas such as the determination of fungicide doses, the time of application, their evaluation, biological studies, and the determination of incubation periods of the fungus.

In addition, the MAG-ICAFFE program has already prepared a technological package which covers cultivation practices, pruning systems, planting distances, and weed control.

Something Else

Officials from MAG and ICAFFE said that when rust first appeared in 1983, they had expected to find something else, "which we have still not seen." They had expected that the disease would advance rapidly, diminishing production, and that its negative impact on the economy would be seen right away in the 1983-1984 harvest. Nevertheless, they reported, "so far, none of that has happened, thanks to the preventive measures that were taken and the positive response by Costa Rica's farmers."

Mr Alpizar noted that they do have varieties of coffee which, even though they are not actually rust-resistant, do produce high yields, varieties like "catuai" and "caturra." They will pay back any investment the coffee grower makes to combat the fungal disease.

According to Mr Alpizar, since 1983 rust has not caused a major decrease in Costa Rica's coffee harvests, as production cycles have been kept up: even with rust, the 1983-1984 harvest was 2.6 million bags weighing 46 kilos each; the 1984-1985 harvest was 3.5 million bags; due to the cyclical nature of coffee production, the 1985-1986 harvest declined to 2.3 million bags, for reasons related to rainfall and climatic conditions. It has been estimated that the current 1986-1987 crop now being harvested will amount to 3.1 million bags.

Mr Alpizar said that nothing can be predicted about the future. He commented that a former director of the department, the renowned coffee expert, engineer Gilberto Gutierrez Zamora, once said: "About rust, we can make no prophecies."

In the meantime, he remarked, the fungus is advancing, but even so, our coffee production is on the rise. The same can not be said about Nicaragua and Colombia. In Nicaragua rust appeared in November 1976 and wiped out the coffee plantations there. And in Colombia, the negative economic impact of rust on its coffee production has been severe.

7679

CSO: 3248/122

EDITORIAL CALLS FOR PRIVATE OWNERSHIP OF CODESA SUBSIDIARIES

San Jose LA NACION in Spanish 10 Nov 86 p 14-A

[Editorial: "One Debt for Another"]

[Text] One of the biggest mistakes in the general provisions of Costa Rica's budget is the transfer to the government, through a bond issue, of a number of subsidiaries of CODESA [Development Corporation, S.A.]: TRANSMESA [Metropolitan Transport, S.A.], which is being transferred to the ministry of transportation; FECOSA [Railways of Costa Rica], which is being shifted to the Costa Rican Railway Institute]; MINASA [National Mines, S.A.], being moved to the ministry of energy and mines, and the Free Trade Zones Corporation, whose stock is to be absorbed by the ministry of foreign commerce.

Some officials describe this as merely an exchange of liabilities, since the government would not really be acquiring any productive enterprise, as they all have substantial debts with CODESA. But nor would the state be making any cash payments; according to the budget provisions, it would only issue bonds amounting to 1.5 billion colons. These bonds would not be sold to the public, but would most likely remain on deposit in the Central Bank.

So this would be an exchange of one debt for another, but with the added disadvantage that all future losses would be borne by the state--which means, by the taxpayers, who in the end are the ones who have to pay for public spending. And these future losses are certain to be substantial, as they have been in the past. Furthermore, the possibility of administrative sales of some of these subsidiaries--MINASA, for example--to private parties would be lost, as in the future a law would be required to transfer them away from the state, and this would be a much more troublesome process. In exchange, the rest of CODESA's subsidiaries, with some exceptions, could be sold through the procedure defined with the creation of the trusteeship financed by AID [Agency for International Development], if it were considered politically advantageous to do so.

Although the government did publish a decree to reorganize CODESA and to accelerate the sale of its subsidiaries to private enterprise--either Costa

Rican or foreign--years have gone by and we have seen no results. The reader will recall that in order to eliminate CODESA's sizeable losses, which were transferred to the Central Bank to be financed with an inorganic issue, thus boosting inflation, AID gave the state millions to facilitate the transfer of these subsidiaries to private hands. The trusteeship was set up for this purpose, and a commission was established. That commission has certainly worked at a snail's pace. But the state took the money and forgot the transfer, so some very wise and well-intentioned plans all came to nothing.

Instead of privatizing subsidiaries and abolishing CODESA, which would be a practical thing to do, the current administration is once again re-nationalizing them, but still without defining the future of CODESA itself. CODESA, as a state enterprise, has worked in some areas which are very remote from public services (we do not include TRANSMESA in this), ranging from fruit production to the manufacture of cooking utensils. It is the state's responsibility to provide public services, not to conduct purely private activities. It has the experience and the ability to administer public property, but it has shown itself to be a terrible manager of private companies. In reality, we see no justification for trying to keep business activities in the hands of bureaucrats, as that has already cost the Costa Rican people great losses and hardships.

7679

CSO: 3248/122

COMMENTARY CRITICIZES POOR PRODUCE DISTRIBUTION

FL051849 Havana Radio Reloj Network in Spanish 1524 GMT 5 Jan 87

[Commentary entitled "Correct Distribution Helps Save," by Jaime Procel]

[Text] The amount of agricultural produce wasted in the capital is considerable. This is due to deficient distribution to the centers that sell to the population. Recently, while the amount of lemons on sale was more than the population could buy in San Miguel del Padron Municipality, especially in the supermarkets, lemons were noticeably absent in others areas of the capital. These artificial surpluses, caused by poor distribution, cause truckloads of agricultural produce to be thrown away days later. Likewise, lettuce and yucca, much in demand in December, were not properly distributed.

We frequently hear the public complaining about the distribution of produce. It cannot be said, for example, that there were no yucca, lettuce, or tomatoes in December. No, on the contrary, what we are criticizing is that many people had to get the produce in distant areas because they never reached or reached in small quantities the agricultural markets in their neighborhoods. Meanwhile, produce was going to waste in other parts of the capital.

Making it easier for the public to make its purchases close to home reduces time spent in comings and goings. What is more important, it signifies savings, because what is wasted is not consumed and pushes up demand.

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CSO: 3248/137

BRIEFS

FIRST TEST-TUBE BABY--Luis is the name of the first test tube baby born in our country. He was born at Havana's Ramon Gonzalez Coro maternity hospital yesterday before dawn [21 December]. Delivered naturally at 33 weeks of gestation, Luis weighed 5.5 pounds and measured 45 centimeters in length. The mother, 29-year-old Reina Victores Hernandez, was fertilized in vitro by a multidisciplinary team of specialists from the above-mentioned hospital and the National Endocrinology Institute. [Text] [Havana Tele-Rebelde Network in Spanish 1200 GMT 22 Dec 86 FL] /6662

HOUSING PRICE CUT--The National Housing Institute has established a 30 percent reduction in the legal price of state-assigned housing built by individuals with material and land supplied by the state. The municipal housing administrations will fix the legal price based on the system of payment per square meter of useful surface, applying a 30 percent discount to the resulting figure. In each case, they will state the price by which the property will be transferred. The measure applies only to already finished housing and to housing which on 14 October 1986 was under construction in accordance with this system. [Text] [Havana Radio Reloj Network in Spanish 0205 GMT 30 Dec 86 FL] /6662

CSO: 3248/137

BANK REPORT CITES ECONOMIC ACTIVITY FOR 1ST HALF OF 1986

Port-of-Spain DAILY EXPRESS in English 17 Dec 86 p 71

[Text]

ROSEAU, Dominica (CANA) — Real growth in Dominica for 1986 is projected at about 3.5 to 4 percent following a rate of 1.1 percent recorded in 1985, the St. Kitts-based Eastern Caribbean Central Bank (ECCB) says.

The prediction was contained in the bank's June economic and financial review just published. The said available data allowed only a limited assessment of Dominica's economic performance in the first half of this year but this seemed to indicate some measure of improvement over 1985.

The key banana industry which in 1985 recorded a 3.6 percent increase in production and approximately 7 percent in export volumes, appears to be gearing up for a better year in 1986 provided favourable weather conditions persist, the bank said.

During the first six months of the year export production totalled 22,132 tonnes, an increase of 26.4 percent over the volume recorded in the comparable period of 1985.

The Dominica Banana Marketing Corporation (DBMC) has set an export production target of 39,000 tonnes for 1986, an increase of 18 percent over the 1985 level. The corporation is hoping to achieve this goal by raising to 96 percent the proportion of field-packed fruit. In 1985 field-packed bananas accounted for about 76 percent of total production. The DBMC is also planning to increase the total first and second grade fruit from the 75 percent reached in 1985 to approximately 80 percent this year.

During 1985 manufacturing activity expanded by 9.6 percent in real terms, much of this expansion attributed to increased soap production.

Data is not yet available for the current review period but indications are that output is not likely to increase significantly unless the regional mar-

keting problems which plague the industry are alleviated, the ECCB said.

Coconut oil, which up to 1984 had been a significant export item, appears to have continued to decline.

"It is felt that this is due primarily to the low market price for the product as well as the fall in regional demand, a result of a shift in consumer preferences to soft unsaturated oils."

Tourism figures available for the first five months of the year show an increase in stay-over visitors of 15.8 percent compared with the corresponding period in 1985.

However, the trend of falling hotel occupancy continued as the number of holiday visitors using this type of accommodation decreased by approximately 37 percent. By contrast, in the private home category an increase of 28.8 percent was recorded.

The period under review witnessed a significant increase in the number of cruise ship passenger arrivals. Compared to the experience of the January to May period in 1985 when 2,128 such passengers visited Dominica, the number increased to 5,575 in 1986, amounting in five months to about 80 percent of the total recorded for 1985.

These developments in the tourism sector should provide some positive growth in the first five months in the areas of transport and communication as well as the restaurant trade, the bank said.

During the first six months of 1986, the level of prices in the Dominican economy as measured by the Consumer Price Index (CPI) fell by 0.8 percent. The lowering in prices actually occurred in the first three months of the year when prices declined 2.2 percent. Subsequently they tended to move upwards but by the end of June they were still below the December 1985 level.

Over the six-month period there was a significant reduction in food prices (4.6 percent) while smaller declines were recorded for alcoholic beverages and tobacco (0.2 percent) and housing and utilities (0.1 percent).

All other categories in the CPI recorded increases, the most significant ones being in transportation (5.8 percent), and clothing and footwear (5.6 per cent).

In the area of trade and payments, the bank said provisional data for the first three months of the year show a considerable improvement in Dominica's trade balance when compared with the corresponding period in 1985.

There was a contraction in imports of about \$EC 1.1 million (3.3 per cent), and this coupled with an increase in exports of approximately 3.8 million (25 per cent) resulted in a reduction in the trade deficit of 4.9 million dollars (26.5 per cent).

During the three month period, domestic exports expanded by 2.3 million dollars (15.6 per cent) compared to the value recorded in the corresponding period a year earlier.

Banana exports during the January to March period yielded \$9.7 million, an increase of 3.9 million (68.8 per cent) over the corresponding period of 1985.

Despite the unavailability of data on exports of other commodities, the performance of bananas vis-a-vis total exports suggests a reduction in some of

these exports during the period relative to their values in the comparable period a year earlier, the bank said.

The second quarter figures for banana exports reinforced the favourable position of this industry, so that for the first six months of this year the value of these exports increased by \$9.9 million (54.6 per cent).

In addition to the 26.4 per cent increase in production referred to earlier, banana export receipts benefitted from a higher average unit price which rose by 22.3 per cent over the average for the corresponding period in 1985.

Consistent with the increase in stay over visitors and cruise ship passengers during the first five months of the year, the current account balance is expected to benefit from an increase in tourist receipts estimated to be \$1.7 million (17.7 per cent) above those recorded in the corresponding period of 1985. In the area of public finance, the bank said that in the first six months of the 1986 calendar year witnessed a reduction in the central government's current account surplus.

At the end of the review period the balance on the current account was \$1.9 million, almost 39 per cent below that recorded for the corresponding period in 1985. Although revenue collection showed an improvement over the previous year, the growth in current expenditure was significant enough to result in the decline of the current balance. (CANA).

/9274

CSO: 3298/074

DOMINICA

BRIEFS

DFP ELECTION VICTORIES--Roseau, Tuesday (CANA)--Supporters of the ruling Dominica Freedom Party (DFP) took most of the seats in two local Village Council elections in the northern Bense/Anse de Mai/An Soldat and Vieille Case communities, 40 miles from here. In the Bense there was a clean sweep of the polls by the five candidates sympathetic to the DFP. That area is part of the Paix Bouche constituency which last general elections voted for Rosie Douglas of the Dominica Labour Party, and DFP supporters see this as a sign of declining support in the constituency for Douglas. Village Councils here usually comprise five elected and three nominated members. [Text]
[Port-of-Spain DAILY EXPRESS in English 17 Dec 86 p 16] /9274

CSO: 3298/074

PLANNING MINISTER ON FISCAL DEFICIT, NEW TAXES

PA232100 Paris AFP in Spanish 2301 GMT 22 Dec 86

[Text] San Salvador, 22 Dec (AFP)--Planning Minister Fidel Chavez Mena has described El Salvador's fiscal deficit, which totalled \$163.2 million this year, as "increasingly alarming."

In a statement for a local television newscast, Chavez justified new taxes on liquor, beer, cigarettes, vehicle circulation, real estate transfers, rents, and inheritance.

Chavez said that these new taxes are "absolutely necessary," and they reduce government expenditures. However, he did admit that "there has been great austerity" this year.

The Salvadoran foreign debt currently totals \$2 billion. However, according to Chavez, the amounts disbursed this year were to pay commitments acquired 10 or 15 years ago.

He stressed that the government must encourage national production, adding that the productive sectors must in turn "adopt a positive psychological attitude, avoiding polarization and confrontation and generating a climate of mutual confidence."

The National Association of Private Enterprise (ANEP) contends that the only way to overcome the fiscal deficit is by raising production levels "through adequate government policies that will encourage and promote both national and foreign investments."

/8309

CSO: 3248/138

FMLN'S SAMAYOA REVIEWS PROGRESS, FUTURE CHALLENGES

PA201431 San Salvador Radio Cadena Sonora in Spanish 0330 GMT 19 Dec 86

[SALPRESS interview with FMLN leader Salvador Samayoa by unidentified reporter in Mexico City, date not given--recorded]

[Excerpts] [Reporter] FMLN leader Salvador Samayoa will give us his opinion on the guerrillas' evaluation of the Salvadoran conflict during 1986 and the outlook for 1987. Mr Samayoa, according to some political observers the conflict is currently bogged down. What is the FMLN's opinion on this?

[Samayoa] Look, the Salvadoran war is not bogged down. I suppose that those who say so are referring to the fact that the government's army has not yet been able to conclusively defeat the FMLN and that on the other hand the FMLN is not strong enough to achieve total and definitive victory over the government's army. In that sense, some observers believe that the war is bogged down. However, we do not agree with this, because when something is bogged down, it cannot move; it is static. The Salvadoran war is not immobilized. On the contrary, there has been a continuous and uninterrupted chain of military defeats over each and every one of the plans of the Pentagon and U.S. advisers for El Salvador. The FMLN has defeated all military plans that have been devised. In addition, the FMLN has experienced a continuous and uninterrupted expansion process in its political and military forces.

[Reporter] The army maintains that it is on the offensive.

[Samayoa] Certainly, the Salvadoran Army has been conducting a broad propaganda campaign to give the impression that it maintains the offensive in the military field. The greatest propaganda effort in that sense has been Operation Phoenix. I would say that an army that must concentrate more than 5,000 men, its best military units--the elite battalions such as the Atlacatl and Belloso Battalions--only 25 or 30 km from San Salvador is hardly an army on the offensive. By carefully analyzing the offensive military operations carried out by the regime's army we can obtain a clearer assessment. Operation Phoenix began on 10 January in the Guazapa area, with 5,000 men and included approximately 1,500 sq. km in San Salvador, Cabanas, and Cuscatlan Departments. Chief of Staff General Blandon said that the operations objective was to completely

drive out the guerrillas from Guazapa Hill. In reality, the operation was also directed against the civilian population, and as a result 1,500 people were evicted. The operation was supposed to be carried out in seven phases, which have not been completed. This was the beginning of Operation Phoenix. By 2 May, Colonel James Phil, who heads the groups of military advisers of the U.S. Embassy in El Salvador, admitted that the Salvadoran Government would need from 10 to 12 years to defeat the FMLN, as it is the best rebel group in Latin America. In June, diplomatic sources told press agencies--specifically UPI--that the FMLN was recovering its positions on Guazapa Hill, which could be the insurgents' greatest victory in their 6 years of war. On 23 and 24 November, in separate actions and as part of the nationwide military campaign declared by the FMLN, the army sustained 40 casualties during attacks on positions in San Jose Guayabal, and on the new road to Suchitoto. As a result of these clashes, on 5 December Colonel Jose Larios Lopez, commander of the Artillery Brigade stationed in Opico in the Guazapa area [title as heard] told the press that despite the intensity and duration of Operation Phoenix, the insurgents' positions on the hill were intact. So Col Larios is right: The FMLN remains in Guazapa. Therefore, Operation Phoenix, the army's largest military offensive operation, has failed. The proof of this failure is that in San Salvador, the population can hear the bombings in the Guazapa area every day. The Lieutenant Chavez Carreno Operation, which the army launched in March in eastern Chalatenango, also included a great number of soldiers: 3,000. However, by 29 April, the government's army had already sustained approximately 400 casualties in that operation. These have been the army's most important offensive operations: Phoenix, Herzon Calito, Lt Carreno, and others. Even during these offensive operations, the army has sustained a large number of casualties, and its forces have been considerably worn out. Therefore, the army's claim it is on the offensive is false.

[Reporter] What have been the FMLN's most important actions this year?

[Samayoa] The FMLN has in fact maintained a continuous offensive and military initiative throughout the national territory all through the year. There have been daily operations throughout the country. In answer to your question, among the most important operations already of public knowledge are the attack against the La Carrera [word indistinct] in Usulután Department, which resulted in 60 army casualties. On 21 May, we inflicted 37 casualties on the Azmitia Battalion by annihilating several of its positions and taking over its position in La Palma by occupying the town.

[Reporter] The current economic situation in El Salvador has worsened the war problem. How do the Salvadoran rebels evaluate our economic situation?

[Samayoa] Look, we believe that Duarte's government has sunk the country into the worst economic crisis in all our history. In other words, the population's living standards have dropped, the economy has contracted, and all the economic indicators show that the situation is worse than ever. For example, from only January to November this year inflation has increased more than 30 percent. Some of the price indicators of basic staples are very significant:

the price of 1 pound of beans has increased from 60 centavos to 1.35 colones, a box of eggs now costs 35 colones, the price of 1 pound of rice has gone from 55 to 90 centavos, and the price for 1 quintal of corn or millet has also increased. We are talking about basic staples of popular consumption, which have experienced very high inflation. Therefore, the population's living standards, the income per capita, has sunk back to the levels that existed 20 years ago. That is the real drawback experienced by our economy, and affecting the population's living standards.

Unemployment has also increased. Open unemployment [desempleo abierto] has been estimated at 30 percent in 1986. However, this figure increases considerably if we also include underemployment, in other words stationary or poorly paid jobs.

The government's economic measures, which are known as the packaged swindle, has been another destabilizing factor for our national economy, particularly the economy of popular sectors. For the first time in the country's history, our national currency--the colon--was devalued by 100 percent. Of course, this resulted in more inflationary effects. In other words, the cost of living and the prices increased, new consumer taxes were imposed, which in turn resulted in a reduction of imports and thus, in a general economic contradiction, which has worsened with the new tax reform decreed by the government. The situation is clear: the economy is practically in chaos, and all the social sectors, without exception, are affected. The reason for this is that the government must assign more than half of the national budget to finance the war, whereas if it had a willingness and real interest in achieving a better life for the people, it would make efforts to find a political solution to that armed conflict. In sum, the economic situation has been aggravated and is increasingly deteriorating. In my opinion, as long as this government, this policy, and this subordination to U.S. plans continue, our country's economy will continue to deteriorate and the popular classes, particularly the working class, will continue to live in misery. [as printed]

[Reporter] The FMLN has talked about a power vacuum. How can there be a power vacuum when there is a president?

[Samayoa] Yes, indeed, there is a president. The problem is that no one in El Salvador wants him. Therefore, all the country's sectors without exception have opposed the government's policies, and, specifically, opposed the government's economic policies. As far as I know--you can correct me if I am wrong--no sector in the country has endorsed the government's economic policies. The working classes have been actively opposing economic policies that clearly hurt their interests. Workers, cooperative members, peasants, public employees, the productive and nonproductive middle classes, small and medium enterprises, professionals, and private enterprise as such, in fact, even the capitalists' most oligarchic sectors, have opposed all of the government's economic measures.

Therefore, in this regard, this president is rejected and opposed by all the country's political and economic sectors, without exception, as far as economic and political measures are concerned. It has been widely shown--even in polls taken by the government and the Christian Democratic Party--that over 80 percent

of the people want a dialogue and a political solution. Still, the government intransigently [as printed] and stubbornly persists in not paving the way toward a peaceful solution. Therefore, all the measures implemented by the Jose Napoleon Duarte government are opposed by all the country's sectors. For that reason, we are saying that there is a power vacuum, and that a situation of misgovernment is conducting and sinking the country into a greater crisis.

[Reporter] How does the FMLN view the confrontation between the diverse sectors and the government? Does it think that it will continue to escalate? What....

[Samayoa, interrupting] In El Salvador, there is widespread political unrest. There are widespread popular protests. The creation of the National Unity of Salvadoran Workers [UNTS] on 8 February during an assembly for the survival of workers, is an event that marks a qualitative change in our country's total situation and outlook because the workers' organization is broad-based and is able to rally the workers. In February, 60,000 UNTS workers staged a demonstration in San Salvador to demand the repeal of the economic packaged swindle, an end to repression of the workers, better wages, and, most of all, a continuation of the dialogue.

In April, the medium and small enterprises, which make up FENAPES [National Federation of Salvadoran Small and Businesses] [as printed] together with UNTS organized a forum for the Salvadoran people's survival and peace. Over 200 labor and trade unions, political parties, universities, etc., attended. On international labor day, 1 May, there was a very large demonstration with over 100,000 people. UNTS had organized it to demand a political solution to the war and the repeal of the economic package. These were among the objectives included in the UNTS platform. So far this year, we have recorded approximately 59 stoppages and strikes in the public sector and 124 stoppages and 71 strikes in the private sector. These actions have mobilized over 200,000 workers, showing the degree of popular unrest, organization, and protest against the government's measures.

In addition, other sectors have been mobilizing, especially following the announcement of the economic packaged swindle. Days before the 21 January packaged swindle, and throughout the entire year, diverse sectors, the private sector included, and political parties have opposed the government's measures. Business sectors have continued attacking the measures, including ANEP [National Association of Private Enterprises], ASI [Salvadoran Industrialist Association], the Chamber of Commerce and Industry, the association oil distributors, etc.

Therefore, we must note that the level of popular protest has been very high. It has been higher than in all previous years. Another sector that has been greatly active is the persons displaced by the war. In March, there were demonstrations by civilians displaced from Guazapa Hill during "Operation Phoenix." Also in March, 250 displaced persons from that same area in Guazapa Hill occupied the Metropolitan Cathedral to pressure the government to end the

operation. In November, there was a protest. As everyone knows, university students violently protested Duarte's visit to the university campus. In sum, in El Salvador, there is a deep political crisis because all the country's political, economic, and social sectors are opposed to the Jose Napoleon Duarte regime and his policies. And as we have stated, there is also a very deep economic crisis. Moreover, the U.S. anti-insurgency plans are facing a crisis. The government is also facing a military crisis. Therefore, this government or regime has been overwhelmed and cannot and will not recover. Its military, political, and economic situation has grown worse during the time it has been in office.

[Reporter] Does the worsening of the situation after the earthquake help or affect the FMLN?

[Samayoa] I do not like to speak in the terms that an earthquake can help or affect the FMLN. We must, above all, realize that the earthquake affected the people. The earthquake caused suffering and misery, and it caused more poverty to the already poor and downtrodden sectors. The FMLN, as a revolutionary organization, is very sensitive to the suffering of the people. We are fighting because of the people's suffering. Therefore, we cannot say that the earthquake has helped the FMLN in any sense because it has not helped the people. The FMLN identifies itself with the feelings, wishes, needs, and interests of the people.

What has become very clear is that the earthquake has become a factor that has heightened the crisis. The earthquake heightened the structural and irreversible crisis in which Jose Napoleon Duarte's regime has fallen. As misery increases among the people, it definitely creates a desire for more organization to struggle for their needs. In this sense, the political and social situation of the country is affected; the level of confrontation and protest becomes more explosive and agitated; and the struggle for the revolutionary goals must take into consideration this unrest among the people.

[Reporter] Domestically, the earthquake has worsened the crisis. Internationally, what factor could become decisive within the Salvadoran crisis and the war?

[Samayoa] We have already mentioned that the United States is the decisive factor in the war being waged in El Salvador. This war has prolonged itself and has resulted in much death, suffering, and destruction. All this has occurred because of U.S. meddling in our situation, in our conflict. It is a U.S. intervention that is truly ignominious and humiliating for our people. It should also be humiliating for the Salvadoran armed forces, at least for those officers who still have a patriotic sense. Despite the economic crisis, the United States is offering huge amounts of military aid. Last year, this ill-named aid equaled more than \$750 million. This \$750 million was actually disbursed. Our country ranks fourth in the world in receiving the largest amounts of this ill-named U.S. aid. The number of weapons they are bringing into our country is huge; the U.S. military, economic, and political advisers have invaded every corner of our national life in such a way that all decisions in El Salvador are made by the Americans. The unending visits by U.S. political and military officials clearly indicate who is directing the Salvadoran Government.

This year, the highest-ranking U.S. Pentagon officers have visited El Salvador. On 6 January, Admiral William J. Crowe, Jr., chairman of the U.S. Joint Chiefs

of staff, himself visited El Salvador. He met with Duarte and the military chiefs, and left for Honduras. In March, (?Ted Barnett), commander of the 132d Airborne Division, visited the 2d Infantry Brigade and met with Colonel Oscar Edgardo Casanova Vejar, the brigade commander. In October, General John Galvin, commander of the U.S. Southern Command, one of the most important Pentagon structures, from where all the military operations, troops, and U.S. bases in Latin America receive their orders, came to El Salvador. Therefore, U.S. intervention in our conflict has become ignominious and is being repudiated and rejected by all our people. This is the main cause for the continuation of the war in El Salvador. If this factor, U.S. intervention, did not exist, this war would have ended a long time ago.

[Reporter] There is much talk about the dialogue. We would like you to give us your views regarding this dialogue because it has been one of the most important issues this year.

[Samayoa] The possibility of a dialogue has been lost. I do not think that there is too much more one can say. Our people are aware that the FMLN and FDR have made constant efforts to begin a process of dialogue that would lead to a political negotiated solution of the conflict. We did this because we have a sense of responsibility. We wish to avoid prolongation of the war, destruction, and loss of human life and property. We sought the dialogue with a sense of responsibility in face of the tension in the Central American region. However, the government and armed forces' position has been a stubborn position. They continue to think that they can resolve the problem through a military solution. They continue to think that they can defeat the FMLN militarily, and this is absolutely impossible. If they last 100 years in power, they will not be able to defeat the FMLN. Therefore, the only logical step for a government with so many economic, military, and political problems; for a government that has had to sell our national sovereignty to the United States--in face of such a tense regional situation, with so much danger of a generalized war in Central America--would be to take the step toward a dialogue and a political solution. However, the government and army have acted without a sense of responsibility, and are bent on following their stubborn policy. I have no doubt that even though the dialogue is impossible at this moment, the pressure and demands of all the people for a worthy political solution will be so strong that sooner or later this government and army will have to change their views or face a total political and military defeat.

[Reporter] How does the FMLN view 1986? What are the FMLN's conclusions regarding the Salvadoran situation?

[Samayoa] I have already talked about several of these conclusions. However, I could say that the most important conclusion is that all the U.S. counter-insurgency plans have been brought to a standstill. They have not had a single important military victory. The second most important conclusion is that the Duarte regime has not only sunk itself but is also sinking the country in the worst economic, political, and social crisis of our history. The country's sectors are aware of this; they are speaking up against this, and struggling against the regime. Third, Duarte's government has sold the country, sold our sovereignty to the United States. This is humiliating. No regime in the history of our country ever sold the country to a foreign power as Duarte has done.

My fourth conclusion is that the democratic and revolutionary forces have strengthened themselves in the political and military fields. The fact that thousands have joined the revolutionary struggle is an irreversible fact. Among the urban and rural workers, there is a growing level of political awareness, organization, and willingness to fight. The FMLN military units are dealing hard blows on the regime's army in 12 of the 14 departments throughout the country, and the revolutionary spirit is burning stronger within the people who are being choked by the repression and misery.

My last conclusion is that a strong national [words indistinct] being built and there is a political convergence of broad sectors. These sectors converge around four basic points: rescue of our national sovereignty, abolishment of the package of economic measures, a dialogue and a politically negotiated solution to the conflict until peace with justice and dignity for the people is achieved, and respect for human rights and all democratic freedoms. This is the way I would summarize 1986.

[Reporter] One last question, Mr Samayoa. If the dialogue is at a standstill, and the war deepens and heightens, what is the outlook for 1987?

[Samayoa] I will tell you something that may sound contradictory because all that we have said may sound negative. We do not feel negative. Quite the contrary, we are strongly optimistic. We have a very strong political and military force. The determination within the Duarte regime is strong, and the weakening of the Reagan administration is beginning to show. Therefore, we predict that 1987 will be a year of more decisive political and military struggles that will lead us to the end of the conflict. It is important that the people continue to join the struggle against this regime; it must be an active, combatant, and militant incorporation in search of peace. We will not find peace without a struggle. If our people continue to fight as they have done these past years, especially in 1986, I feel that the outlook is good. We still have to bear suffering and war, but the light can be seen at the end of the tunnel. We must not lose faith and hope; we must encourage the spirit to struggle and be optimistic because there is doubt that in the end, we will achieve the goals we have been struggling for.

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CSO: 3248/138

HAVANA INTERVIEWS GUERRILLA LEADER

FL011955 Havana TELE-REBELDE NETWORK in Spanish 1342 GMT 1 Dec 86

[Interview with Salvadoran guerrilla Commander Nydia Diaz, of the Farabundo Marti National Liberation Front, by Eduardo Dimas of TELE-REBELDE, in Havana; date not given--recorded]

[Text] [Dimas] It is being said that there is a stalemate of sorts at present between the guerrilla movement and the army. It is a fact that the army is trained, sponsored, financed, and armed by the U.S. Government. You, yourself, were talking about \$2 million a day in assistance. In connection with the so-called stalemate, there is talk of a war of attrition in El Salvador, among other things. From the Salvadoran guerrilla movement's viewpoint, how do you see the situation, taking into account this war of attrition and American Government aid to the Salvadoran government and President Duarte?

[Diaz] As you know, there are two powers in El Salvador. One is nascent and revolutionary; the other is dying and traditional. This is manifest in various ways: in terms of territory and population, and in the political, military, and diplomatic fields. We have been growing all this time, politically, militarily. The way we see the situation is that there is a series of political factors such as the crisis itself, the contradictions surrounding the enemy, which go deeper each day. The Duarte regime subsists because it is Reagan's administrator. Reagan is the only one who supports him, because not even the other sectors of power can stand him. The crisis is getting worse. This is a political factor favorable to us. The people's struggle is taking place and the evidence mounts that Duarte cannot satisfy the demands of the people's movement. If you take a look at our political manifesto of 11 July, and the emergency struggle platform of 5 November following the earthquake, you will see our identification with the people's interests. We are the only ones who truly represent the interests of the popular sectors. This is a positive and favorable factor for our struggle.

Another point is that we are at this moment engaged in a dialogue with all national sectors. Though it is true that dialogue is not taking place with Napoleon Duarte, with the regime, we see dialogue with all national sectors

as a fundamental priority. A general dialogue is taking place with workers, parties, institutions such as universities, and so on. Perhaps we may not be physically present, but our ideals and programs are under discussion. People take aspects they like and promote them.

The enemy has tried to create certain organizations and attempts to find support in them, but these are corrupt officials bought off by the CIA, the free [as heard] trade unions, etc. The grassroots, however, are increasingly convinced that the regime cannot favor them and they switch to other organizations that really represent their interests.

These internal political factors, along with international political factors are quite favorable to us. The international forces of progress, of peace are developing each day and this is very important to us. This means that political solutions to conflicts increasingly prevail. For instance, efforts are underway in the region to prevent an outbreak that might spread the conflict to the rest of the area.

As I was telling you, militarily speaking we are weakening the enemy. We cause some 40 casualties daily. We believe that as in recent actions, this erosion is going to get worse in the future, especially because we are growing. The more our action extends, the more guerrillas join the struggle. So we do not have the problems the enemy has right now; that is, lack of personnel. We expect to grow even more in quantity and quality, while they have to depend on forced recruitment and American aid, and lay down laws such as the one they call patriotic recruitment, which is really forced recruitment. These are other factors that help us.

Our accumulated experience in defeating [words indistinct] increasingly deficient military capacity. We see a lot of good prospects. This goes hand in hand with the erosion of the enemy, which is pushing it further into total destabilization, not to mention the earthquake. In political-military terms, we believe that there are many factors that tell us that sooner than later we will make big strikes in the quality of struggle.

[Dimas] One last question: There is talk about the possibility that at some given time, as a product of the advance, struggle, and movement of the guerrillas, the United States will have to intervene in El Salvador. The same danger exists that it could intervene in Nicaragua. What can you tell us about this?

[Diaz] Yes, we are not discarding an eventual intervention of troops--since the intervention already exists; there are 300 advisors, all the aid, training, etc. If an invasion of troops occurs with the realization that the puppet army of El Salvador is no longer able to wage a fight because of its moral and physical decline, because of its collapse, we tell the Americans that our plans, our strategy and tactics are designed to deal with a possible invasion of troops. The Salvadoran movement, the struggle our compatriots there, all national sectors are fighting for a solution among Salvadorans themselves. This is a feature of the popular struggle and of the struggle of all sectors.

Everyone has said at various forums, various events, that the Americans must get out of the conflict now, because they are the ones sustaining the war. If they come in with troops, they will not be able to leave El Salvador that easily. Their situation will become complicated and it would lead to a spread of the conflict throughout the region, as for example if they went into Nicaragua. They are threatening Nicaragua. We say: whether in El Salvador or Nicaragua, the Americans will not be able to get out. They will be mired down in a war that will make the conflict spread to the rest of the region. Latin America's anti-interventionist feelings will turn into a flame and their situation will become truly difficult.

If they go into Nicaragua, we will fight for and with the Nicaraguans. If they go into El Salvador, it will be the same thing, because the two processes are intimately linked.

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CSO: 3248/138

BRIEFS

ACEVEDO ON PEACE PROSPECTS--Geneva--In a news conference in Geneva, Salvadoran Foreign Minister Ricardo Acevedo Peralta expressed his opposition to a military solution in Central America. There should be only one solution for Central America, said the minister, who is visiting Geneva. The Contadora Group's peace proposals continue to be the best foundation for a resolution of the Central American problem, Acevedo Peralta said. He also said that he is waiting for the holding of new Contadora talks in January. The minister added that the Salvadoran Government is willing to hold dialogues with the guerrillas internally as well as externally to overcome the tension in Central America. El Salvador can show the United States and the rest of the world that it is seriously committed to the consolidation of the democratic process in the country, Acevedo Peralta said. [Text] [San Salvador Radio Cadena YSKL in Spanish 1800 GMT 9 Dec 86] /8309

CSO: 3248/138

GOVERNMENT REJECTS UNION DEMANDS FOR BETTER WAGE OFFER

FL101435 Bridgetown CANA in English 1400 GMT 10 Dec 86

[Text] St Georges, 10 Dec (CANA)--The Grenada Government has rejected the proposal of three public sector unions to increase its pay offer to civil servants by a further EC2.5 million dollars.

Informed sources told CANA that the government's position was outlined to the unions yesterday by Labour Minister Dr Francis Alexis.

A fortnight ago, the administration offered the unions a three million dollar package for 1985 and 1986.

The sources said that the government presented some counter proposals to the unions whose negotiating team is due to meet today to consider the issue.

The Public Workers Union (PWU), the Grenada Union of Teachers (GUT), and the Technical and Allied Workers Union (TAWU) are asking for a 30 percent increase in wages across the board for public workers for 1985 and a similar weighed raise for this year.

The government's modified offer provides increases of between 3 and 13 percent over two years instead of the previous 2 to 19 percent.

Those civil servants earning less than 292 dollars per month are projected to receive the 13 percent, down from 19 percent, with those earning higher pay 3 and 4 percent, 1 percent above the earlier proposal.

We would never sign that (proposed) agreement and you can bet on that, a union official told CANA.

The government said last weekend that it would shortly begin the phased re-trenchment of 1,500 civil servants to cut costs.

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CSO: 3298/075

SPICE CO-OP REPORTS LOSSES FOR 1985; REMEDIES EYED

FL162224 Bridgetown CANA in English 1647 GMT 15 Dec 86

[Text] St Georges, 15 Dec (CANA).--The Grenada Minor Spices Cooperative Marketing Society says trading losses will prevent bonus payments to growers, according to its president, John Cadore.

In his annual report covering the year ending September 1985 [as received], Cadore said the society was forced to sell its products at low prices in order to remain competitive.

The society registered a loss of nearly EC14,000 dollars compared to a profit of about 85,000 dollars during the preceding year.

The society, which groups hundreds of small farmers, is the main body responsible for marketing Grenadian spices like cinnamon, cloves, pimento, and tonka beans.

Cadore said that efforts to penetrate the European, American, and Canadian markets proved unsuccessful as prices offered were lower than the advances which the association paid to its members.

The price situation on international markets also influenced market trends in the Caribbean and this caused traditional buyers to be reluctant to buy at our prices, he said. This situation resulted in the significant drop in sales and reduction in the volume of purchases made by the society, he said.

During the year the society bought 258,424 dollars worth of spices as compared to 722,000 dollars in the 1983-84 period. At one time, purchases were suspended for four months.

The society sold 364,200 dollars' worth of spice as compared with 494,367 dollars during the 1983-84 period.

This means that over the past two years our sales have dropped. We cannot allow this situation to continue. We have to take remedial action now, he said.

If the industry is to survive, alternative marketing strategies have to be adopted. In this connection the management committee has decided to establish a spice processing factory where most if not all of the spice we purchase will be ground, packaged and marketed as a finished product, he said.

The government has already given the society factory space just outside the capital, as well as a mill and other equipment to get the project off the ground.

In addition, the Canadian International Development Agency has agreed in principle to provide the society with a grant of approximately 50,000 Canadian dollars toward the project.

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CS0: 3298/075

BRIEFS

WARNING TO BLAIZE.-St George's, Tuesday (CANA) -The Grenadian VOICE newspaper has issued a warning to Prime Minister Herbert Blaize and his close aides who emerged victorious over their rivals in the recent convention of the ruling New National Party (NNP). The paper commented in an editorial that "Blaize and his cohorts" need to be careful that their victory does not turn into what it called a 'pyrrhic victory.' "The seeds are there and they can be nurtured by arrogance and a failure to be magnanimous in victory," it said. Blaize and two close colleagues were voted into key party positions while his main challengers and their supporters--Agriculture Minister George Brizan and Labour Minister Dr Francis Alexis--failed to secure any of the top positions. [Text] [Port-of-Spain DAILY EXPRESS in English 17 Dec 86 p 16] /9274

CSO, 3298/075

BRIEFS

DEBT TO FRG RESCHEDULED--Bonn, 17 Dec (DPA)--In Bonn today the Federal Republic and Mexico signed a debt rescheduling agreement totaling DM 205 million. The Bonn Foreign Office said that it is based on a multilateral agreement of the Paris Club of 17 September 1986. [Excerpt] [Hamburg DPA in German 1711 GMT 17 Dec 86 LD] /9738

1987 AUSTRIAN AID SET AT \$260 MILLION--Mexico City, 21 Dec (NOTIMEX)--Austria will provide Mexico \$260 million in financial aid. This amount is included in the new credits approved by European countries to Mexico for 1987. This was reported by Austrian Ambassador to Mexico Heimo Kellner who said the loan was granted by Austrian banks in coordination with that country's private initiative. He explained that several Austrian investment projects are being planned for next year. Among them is the installation of an assembly plant in the northwestern Mexican state of Sonora. The type of goods to be manufactured is unknown at the moment. Regarding the trade balance between the two countries, he said it currently favors Mexico inasmuch as Austria imports more Mexican goods than it exports. He added that lately Austrian investments in Mexico have not been great because of lack of surplus capital. [Excerpt] [Mexico City NOTIMEX in Spanish 2027 GMT 21 Dec 86 FL] /9738

CSO: 3248/111

EUCCHARISTIC CONGRESS, GROWTH OF CHURCH DESCRIBED

Managua BARRICADA INTERNACIONAL in English 4 Dec 86 pp 6, 7

[Text] The yellow and white colors of the Catholic Church, hymns processions and fireworks enveloped Nicaragua during the week of celebrations accompanying the National Eucharistic Congress, which closed with a huge open air mass in Managua on November 23.

Over 20,000 people gathered at the Don Bosco youth sports center to hear a special papal message, catch a glimpse of Mother Theresa of Calcutta, and attend mass along with some hundred Nicaraguan priests, ten foreign bishops and the local Catholic hierarchy.

Also in attendance were Nicaragua's popular church and members of the Christian base communities, which have historically been in conflict with the Catholic hierarchy. Preparations for the large-scale celebration had begun two months earlier.

Activities took place in the main parishes in the capital and in the countryside, with processions, fasts and prayer sessions, first communions, religious instruction and special seminars given by invited guests.

The relatively more relaxed relations between the church and state were evident in the smooth course of the activities and the assistance provided by the government. President Daniel Ortega met with church representatives who arrived for the conference, the state news media provided broad coverage of the event and regional authorities set up transport to and from rural areas as well as the logistical arrangements in the departments.

The Catholic Church showed its capacity to organize and mobilize its followers, supported by the religious and catechism groups headed by prominent business leaders. A significant number of Nicaragua's overwhelmingly Catholic population took part in the celebrations under the theme of unity and reconciliation.

The week of activities was a significant demonstration of the strength of the Catholic Church, yet unlike other times, the Catholic hierarchy avoided confrontation with the government, Cardinal Opilio Rossi, the People's special envoy presided over the main activities and throughout the conference the moderating influence of Papal Nuncio Paolo Giglio--who mediated the talks

between government authorities and the bishops in late September--could be felt.

The twenty-minute-long message from Pope John Paul II was an official appeal from the Vatican for improved relations between the government and the bishops, in the interest of building the foundations for a stable and lasting relationship. Although the Pope emphasized the need to achieve unity and reconciliation among Nicaraguans, he avoided the polemical tones of his past messages and limited himself to calling for unity within the church (see separate article) so as to set "an example of mutual understanding and aid, of sincere and real union in truth and love." This conciliatory spirit differed from the conference's original theme. The Church hierarchy had convoked the Congress six months earlier to show the government its strength and ability to influence the people by drawing on their religious sentiment.

Cardinal Miguel Obando, the main organizer of the initiative, put aside his usual hostility toward the Sandinistas, avoiding offences, and kept a low profile during the celebrations. He officiated the masses in his archdiocese, but Cardinal Rossi gave the homilies and presided over the conference's opening and closing ceremonies as dictated by church protocol.

During the mass at Don Bosco, Rossi appealed for peace, asking that the "guns be silenced and the hands that wield them reach out to each other." As the Pope's envoy, he encouraged Christians to build communities, families and parishes and urged them to strengthen solidarity "in an effort to build a just, fraternal and free nation, in which all Nicaraguans can live in harmony."

The Activities

For many the highlight of the week was the arrival of Mother Theresa, founder of the Sisters of Charity Order and recipient of the Nobel Peace prize in 1979. It was her first visit to Nicaragua. During her meeting with President Ortega she received permission to open a house here for her order; afterwards she announced that two of the missionaries that accompanied her would remain in Nicaragua to immediately begin work, as a sign of love for the Nicaraguan people.

Three U.S. bishops from Washington, Miami and New Orleans attended as well as the only cardinal to accept an invitation--Bernard Law, Archbishop of Boston. The Latin American Episcopal Conference was represented by its president and secretary general, Bishops Antonio Quarrao from Argentina and Dario Castrillon from Colombia, respectively. The Nicaraguan head of state met privately with all the church representatives as a gesture of friendship.

Representatives of the Bishops' Conferences of Honduras, El Salvador, Guatemala, Mexico, Venezuela and the Virgin Islands were also present at the conference.

The FSLN issued a public salutation to the conference wishing it "success in its evangelical mission." In an editorial in the daily Barricada, on

November 22, the FSLN reiterated its respect for the religious beliefs and traditions of the population and expressed its wish to continue the church-state dialogue to define future relations.

The preparations for the Congress had been formally initiated on April 6, when the bishops issued a pastoral letter stating that the Eucharist was a source of unity and reconciliation. In that letter, the bishop urged Christians to unite around their clergymen, and sharply reprimanded the government and the progressive sectors of the church, demanding a national ecclesiastic reconciliation that in reality implied nothing less than complete submission.

Following the publication of this letter, posters and stickers declaring "I love the Eucharist" began to appear on the doors of houses and on car windows, and invitations to the Congress began to circulate.

The conservative lay groupings mainly comprised of religious

schools' parents associations and business persons, took charge of the bulk of preparations. They prepared the Don Bosco sports center for the open air mass, and formed a security team to keep order during the celebrations. Boy and girl scouts, wearing arm bands, controlled the crowds and journalists during the celebration.

The main stage, built on the beds of four trucks, was fully carpeted. In the center stood a life-size crucifix

with the figure of Christ cloaked in white muslin. A solid barricade over which the headdresses of the bishops and cardinals could barely be seen, prevented access to the altar.

Behind the stage a small group, shielded from the masses by the fence and from the afternoon sun by the shade of trees, attended the mass. The wives of several conservative political leaders stood with their daughters, dressed in white and yellow with ribbons in their hair. Many arrived with folding chairs, refreshments and parasols, prepared for a long day. In the plaza there were vendors of sweets and the traditional fireworks to entertain the children. The mass lasted about two hours, exactly as planned, the only threat of disruption coming from a few looming rain clouds that never burst.

The Congress was the culmination of two months of work in the parishes to urge Catholics to show their faith in Christ and their solidarity with the bishops. Over this time the country's parishes had dedicated themselves to the tasks of evangelization, based on 14 themes proposed by the bishops to further Christian faith. In addition, thousands of children throughout Nicaragua were prepared to receive their first communion on November

16, opening date of the Congress.

According to Dominican priest Rafael Aragón from the Monseñor Lezcano Church located in a working class neighborhood of Managua, the Christian base communities and the progressive clergy also took part in the evangelization campaign, although they adapted the content of their work to reflect the country's situation.

Aragón, 36, has been a priest in this densely populated neighborhood for eight years. He has been working with the help of two clergymen from Brazil. Instead of carrying out huge celebrations, they formed 14 Bible-study groups throughout the neighborhood and in the evening the clergymen took turns meeting with them in their homes. The Antonio Valdivieso Ecumenical Center provided them with reading materials as well as some attractive religious posters.

According to Aragón, the Congress awakened the religious sentiment among the people, although it didn't develop a more systematic process for evangelization, leadership training and Christian education. In order to accomplish these objectives, a quite different approach is needed, entailing popular and participatory education in a more integral manner, rather than a short-term effort carried out over a couple of months. ■

Papal Message

The ecclesiastic community which celebrates the Eucharist receives its mission from Christ to be a reconciled and reconciling community. For this reason, we must all strive to reduce tensions, overcome divisions, and heal the wounds which have opened between brothers.

The National Eucharistic Congress should definitely present this attestation of reconciliation and unity on the part of all... Faith in Jesus Christ, love of the church and

communion with the clergy must prevail over ruptures or divisions. Strengthened in its unity, the church will be increasingly an agent of reconciliation among all the children of Nicaragua.

The mystery of Jesus Christ, being a mystery of ecclesiastic unity, must be safe from all manipulation which could endanger or adulterate its Christian and ecclesiastic content. There must emerge in Nicaragua a civilization of love amongst a reconciled people, where hate, violence and

injustice have no place. A society that will always respect the inalienable rights of all human beings and the rightful freedoms of the individual and of the family.

The mystery of the Eucharist is no way unrelated to the construction of a new world, but we insist that those principles find inspiration, because Jesus Christ is the foundation of the new humanity, fraternal and reconciled.

Extracts from the message sent by Pope John Paul II, Vatican, November 12.

/9274

CSO: 3200/8

NICARAGUA

BRIEFS

1986 OIL IMPORTS--Nicaragua spent \$130 million in oil imports during 1986; this represents 50 percent of its exports during the same period. However, the foreign exchange volume dropped and the crude oil levels increased to 800,000 barrels. Furthermore, Nicaragua consumed 5.4 million barrels of oil during 1986, compared with 4.6 million barrels in 1985. Nicaraguan crude oil imports were attained through an economic agreement with the Soviet Union. The reduction to \$130 million is the result of the drop in the international market price of oil. [Summary] [Hamburg DPA in Spanish 0048 GMT 17 Dec 86 PA] /6662

CSO: 3248/140

STUDENT ASSOCIATIONS DENOUNCE ARRESTS

PY190311 Asuncion HOY in Spanish 17 Dec 86 p 6

[Text] Twelve students associations from both Catholic and the state universities, some of which are in the interior of the country, have denounced the "unfair and arbitrary arrest" of Hector Lacognata, the president of the Medicine Students Association. The appropriate court proceedings have not been issued thus far and even his attorney has been unable to visit him.

The communique repudiates "the repressive campaign orchestrated by the government at a time when the neglected sectors are denouncing the arbitrariness and abuses being committed daily," and holds the national authorities responsible not only for Lacognata's but also for Dr Carlos Filizzola's and nurse Elsa Mereles' physical and psychological well-being.

The communique is signed by the medicine, engineering, dentistry, law, chemistry, and agronomical engineering student associations from the National University, the accounting and administrative sciences, sciences and technology, philosophy, and theology student associations from the Catholic University, the (law and accounting sciences) university student associations from Caaguazu, and the engineering student association in Coronel Oviedo. The communique concludes by stating that "we express our anger over the criteria used to judge the trade union activities, harassing the trade union leaders and arresting people for defending legitimate rights, while the issues concerning the flight of foreign currency and the juvenile gangs are being delayed."

/12913

CS0: 3348/140

PRIESTS DENOUNCE GOVERNMENT RADIO PROGRAM

PY180203 Asuncion HOY in Spanish 17 Dec 86 p 7

[Text] In a document released yesterday, 92 priests from the capital and the interior of the country severely criticized the Radio Program "La Voz del Coloradismo" [Voice of the Colorado Party], official mouthpiece of the Colorado Party, "for its violent and often slanderous and gross attacks on the church and its pastors, Msgr Ismael Rolon, archbishop of Asuncion and president of the Paraguayan Episcopal Conference; Msgr Mario Melanio Medina; Msgr Americo Ferreira; and Father Domiciano Ramirez, of the "Jose Artesano" Church of Pilar, all of whom are continuously "attacked verbally."

"These pastors and priests are presented to the public as "communists" and traitors to the church and the Paraguayan people, and veiled threats are uttered against them," the document states. The document is entitled: "Those Who Slander the Church and Its Pastors Cannot Be Called Catholic."

"We priests who are working in the service of our people are concerned over this situation. This radio program is broadcast in network with other station, and due to the powerful equipment Radio Nacional has, the program reaches all points of the country, causing confusion among many citizens, especially in the interior."

The 92 priests add: "Moreover, because they manipulate the words of the Pope and of the Bible, and because they claim to be Apostolic Roman Catholics, the danger exists that people might think that the program represents the Church's thinking."

For this reason, we believe it is our duty to state the following:

1. We support the pastoral action of Msgr Ismael Rolon and of Msgr Mario Melanio Medina, successors of the Apostles and legitimate exponents of the church's truth. We also encourage the pastoral work being carried out by Fathers Ferreira and Ramirez in their respective parishes.
2. We denounce the injustices and their causes, but this does not mean that we are engaging in politics or that we are communists; it means that we are fulfilling the Church's essential mission.

3. In order to prevent confusion among some of the faithful, we ask our pastors to publicly disavow "La Voz del Coloradismo," and to declare that its directors, speakers, and those who support it are not in communion with the Church.

4. We find strange the attitude of a government that claims to be Catholic but allows this type of broadcast that slanders and discredits the Catholic Church and its pastors.

We make this denunciation in compliance with our evangelical mission and because not to do so would be to support with our silence those slanderers of the church," the document concludes.

The text of the document is signed by the following: Msgr Agustin Blujaki, chief parish priest of the Cathedral, and the following priests: Carlos Maria Torres, Julio Cesar Niz, Esteban Kocan, Ascencio Zabala, Humberto Villalba, Michel Gibaud, Jose Tomas Sosa, Mario Gabutti, Teodoro Marculeta, Pedro A. Rachid, Porfirio Galeano, Paulino Bogado, Enrique Meyer, Tomas Saffi, Benito Paez, and Pablo Oggioni.

/12913

CSO: 3348/140

BRIEFS

FILIZZOLA RELEASED--Criminal Judge Eladio Duarte Carvallo has ordered the release of Dr Carlos Filizzola, who is charged with alleged violations of Law 209 on defense of public peace and individual freedom, namely sedition, according to the allegations levied by the police who arrested him. Dr Filizzola was arrested in November, shortly after having been chosen one of the "outstanding young men of the year" by the Asuncion Junior Chamber. In his testimony the doctors' leader denied all the charges against him adding that the struggle being waged at the Hospital de Clinicas is strictly unionistic, and that the public demonstrations that have been staged were in keeping with constitutional rights and directed at awakening the awareness of the authorities regarding the problems that the doctors were facing. The National Penitentiary has been duly notified to implement the judge's order. Meanwhile, it was reported this morning that while Filizzola, Lacognata and Mereles were being released by the judges, Dr Enrique Bellasai, a member of the executive board of the Association of Hospital de Clinicas Doctors has been arrested. [Excerpt] [Asuncion ULTIMA HORA in Spanish 23 Dec 86 p 52 PY] /12913

CSO: 3348/140

ST CHRISTOPHER AND NEVIS

BRIEFS

SIMMONDS' SPECIAL ADVISOR--Basseterre, 4 Dec (CANA)--Kittitian diplomat Dr Assyl Warner is back home after completing his tour of duty as high commissioner to Canada for East Caribbean states. According to a government release, Warner has taken up duties as special advisor to Prime Minister Kennedy Simmonds. The release said that Warner will be working with the prime minister on foreign policy matters, and will lend his expertise to government in other areas of policy formulation, such as in education. [Text]
[Bridgetown CANA in English 1813 GMT 4 Dec 86 FL] /9274

CSO: 3298/071

GOVERNMENT ACCUSED OF ALLOWING LIFE-THREATENING CHEMICAL

Bridgetown DAILY NATION in English 11 Nov 86 p 9

[Text]

CASTRIES — The St. Lucia government has publicly refuted allegations in a mysterious and unattributed leaflet circulated here that the administration had allowed the importation of a dangerous chemical that could wipe out the island's population by poisoning the water.

Aimed at farmers in particular, the leaflet charged that the chemical, Yemik (Aldicarb), was manufactured by Union Carbide, the same company held responsible for the death of thousands in India after the Bhopal disaster; suggested that someone in government had allowed its importation mainly because there was a EC\$50 000 (\$37 000) commission due if the importer was able to distribute it in St. Lucia.

How far the leaflet reached is uncertain. But a copy must have been seen by the minister of agriculture, who responded to it.

"It was sometime in May of this year that the Pesticide Control Board (PCB) first became aware that a quantity of the pesticide Temik (Aldicarb) had been imported into St. Lucia.

Investigations subsequently revealed that the chemical had in fact been in St. Lucia since last March 27. The importer had requested of the St. Lucia

Banana Growers Association (SLBGA) some assistance in storage of the material," said the ministry's release.

Pesticide 2 Castries

"As soon as the Pesticide Control Board was made aware of the presence of the chemical in St. Lucia, they immediately wrote to the importer on May 23, requesting that the material be removed out of St. Lucia by May 31, 1986.

"The specific concern of the Board surrounds the highly toxic nature of the product, and associated implications with respect to the risk of contamination of ground and running water, some of which is used for drinking purposes, and secondly, dietary exposure through residues", the statement continued.

It appears the importer of the pesticide — who has remained unnamed throughout the entire episode — did not comply with the Board's direction to move it out of the state by the end of May. For, the statement says, the Minister wrote to the solicitors of the agent of Temik here, conveying "a final ruling" on the matter.

The letter to the solicitors, dated October 16, 1986, said in part:

"Having had the opportunity to examine inter alia all the

circumstances surrounding the importation of Temik into St. Lucia, the dangers associated with its use, all information contained in the technical data and the farming systems carried out in St. Lucia, I found no reason to reverse the Board's decision."

It would appear that not being satisfied with the board's decision, the Temik agent hired a lawyer and took up the issue with the Minister of Agriculture, Ira d'Auvergne, who was now responding to the Temik solicitors.

"On further consideration of all the circumstances, the quantity of Temik now stored in the warehouse of the SLBGA must be repatriated by October 31, 1986," said the Minister's letter, issuing a second ultimatum.

To date there was no official confirmation of whether the second deadline for getting rid of the dangerous pesticide was met, or where it would be sent to.

In the meantime the opposition Crusader newspaper, in reporting on the ministry's release in its issue of November 1, said that "something must be wrong if anybody, at any time, can import such chemicals into the estate, without the knowledge of the authorities concerned." (CANA)

ST VINCENT AND THE GRENADINES

BRIEFS

HEALTH MINISTER'S DEATH--Kingstown, 17 Dec (CANA)--Flags have been lowered to half-mast, and a period of mourning declared here today, following the sudden death, last night, of Health Minister Eddie Griffith. Griffith collapsed at a public meeting of the ruling New Democratic Party (NDP), in central Kingstown, and died in the casualty section of Kingstown General Hospital, shortly after 11 p.m. (local time), without regaining consciousness. No official cause of death has been given, but doctors believe he may have suffered "a massive heart attack." Prime Minister James Mitchell, who formally announced Griffith's death on the State radio this morning, said flags would be flown at half-mast and the period mourning observed until the funeral, which was likely to be at the weekend. Mr Mitchell announced cancellation of all official functions, including his Christmas party, which was scheduled on Friday. [Excerpt] [Port-of-Spain TRINIDAD GUARDIAN in English 18 Dec 86 p 5]
/9274

CSO, 3298/071

REPORTAGE ON ELECTION RESULTS, NAR ACTIVITIES

Vote Count

Port-of-Spain TRINIDAD GUARDIAN in English 19 Dec 86 p 3

[Article by George Harvey]

[Text]

THE RUNAWAY general election victory by the National Alliance for Reconstruction (NAR) is reflected with the party picking up 379,178 votes in winning 33 of the 36 seats. This tally represents almost 66 per cent of the 575,893 votes cast in the December 15 election which recorded a voter turnout of 65.29 percent of the overall electorate.

Popular votes gained by the NAR led by new Prime Minister A.N.R. Robinson more than doubled the 183,529 ballots cast for the vanquished People's National Movement (PNM) which won the other three seats. This is shown in provisional figures drawn up by the Election and Boundaries Commission (EBC) pending final submissions from Returning Officers.

Terrible Showing

Forever-trying National Joint Action Committee (NJAC) got a paltry 8,388 votes (less than two per cent of ballots cast) in fielding a full slate of 36 candidates. All the NJAC contenders lost their \$500 deposits for failing to secure one-eighth of the votes cast in their constituencies.

The People's Popular Movement (PPM) was anything but popular. The party, led by Michael Als, put up a terrible showing with its 14 candidates each poorer by \$500 in securing a total of 795 votes. PPM even trailed the spoilt ballots tally of 3,792.

Independent candidates Edgar Paul (Siparia) got 156 votes and Edgar Lee Young (Port-of-Spain East) 55 making a total of 211 for the non-party contestants.

Polling the highest number of votes

was NAR's Winston Dookeran (16,077) in winning the Chaguanas seat. Lowest poll was recorded for the PPM candidate in the Diego Martin West constituency, Harold Schulliere, who got 37.

Other top vote-pullers all came from winners in the NAR camp: Trevor Sudama (Oropouche) with 15,659; Raymond Palackdharry (Naparima) 15,527; Govindra Roopnarine (Siparia) 15,203; Deputy Political Leader Basdeo Panday (Couva North) 14,871 and Kelvin Ramnath (Couva South) 14,544.

None of the 36 PNM candidates reached 8,000. The nearest was former Minister of Health John Eckstein with 7,975 which did not save him from losing the new Arouca South seat to NAR's Gloira Henry who got 9,221. PNM's Hedwige Bereaux polled 7,694 votes in the La Brea constituency won by NAR's Dr. Albert Richard with 8,217.

Robinson News Conference

Port-of-Spain TRINIDAD GUARDIAN in English 17 Dec 86 p 1

[Text]

FRESH from his party's landslide victory, National Alliance for Reconstruction leader A.N.R. Robinson, who was sworn in as Prime Minister last evening, held discussions with President Ellis Clarke yesterday and also met with outgoing Prime Minister George Chambers at President's House.

Mr Robinson was sworn in as Prime Minister of Trinidad and Tobago at a 6

p.m. ceremony yesterday at President's House.

Earlier in the day, he met with President Ellis Clarke at his official residence to discuss a number of issues including the Commission of Inquiry Report on Drug Abuse, aspects of the Prime Ministership and the evening's swearing-in ceremony.

Following his visit to President's

house, Mr Robinson held a media conference at the Holiday Inn, Port-of-Spain.

Addressing local and foreign journalists who attended, he said that apart from his discussions with President Clarke, he had also spoken with outgoing Prime Minister George Chambers who had "very kindly and generously made himself available" to speak to him.

A Quiet Life

Trinidad and Tobago's new Prime Minister said that he had assured Mr Chambers that there would be no vindictiveness or animosity on the part of the new government. He added that Mr Chambers indicated his intention to live very quietly, and offered his services to the new government if required.

Mr Robinson stressed that the new ruling party intended to establish and observe very high standards of behaviour in Trinidad and Tobago.

Specific other matters were discussed by himself and President Clarke, but he added that these would be better released by the President's Office.

Commenting on the NAR's 33-3 win over the People's National Movement,

Mr Robinson said that it was a victory for the Caribbean as well as for Trinidad and Tobago, and which meant greater optimism for regional leaders, particularly considering the NAR's emphasis of Caribbean co-operation and regional integration.

For him personally, Mr Robinson said, the victory was beyond expectation even though he had acknowledged that the mood of the country had changed. He added:

Young Generation

"But I felt it in my bones that we would win."

Waxing nostalgic, he told journalists that while the NAR's landslide victory was comparable to the PNM's first win in 1956 — when Robinson was himself a member of that party — Monday night's

victory was still different.

In 1956, he explained, the electorate was mainly of African descent, while in 1986, it was marked by unity of the country's various ethnic groups.

Asked to explain the PNM's overwhelming defeat at the polls, Mr Robinson said that the former ruling party had been defeated by a "generation" — mainly younger voters — in the country who had grown way beyond the PNM. He also noted that the former ruling party differed from the NAR because of its policies of political and economic decentralisation.

Noting complaints about irregularities in the voting system, Mr Robinson said that something urgent had to be done about ensuring a more efficient election. He gave the assurance that the party would move in this direction.

Robinson's Plans

Port-of-Spain TRINIDAD GUARDIAN in English 17 Dec 86 p 1

[Article by Gail Alexander]

[Text]

THE NEW National Alliance for Reconstruction government has no plans for devaluing the TT dollar, according to party political leader A.N.R. Robinson, who was sworn in as this country's new Prime Minister yesterday.

Mr Robinson outlined the party's plans and commented on the NAR's overwhelming victory at the polls — a devastating 33-3 win over the PNM — at a media conference at the Holiday Inn yesterday.

Prior to the conference he held discussions with President Ellis Clarke and outgoing Prime Minister George Chambers at President's House.

Questioned about possible plans to devalue the TT dollar, Mr Robinson said that devaluation would have to be viewed in the light of all information available on the matter, but added that the NAR had no intention to devalue the TT dollar.

He told the media that the new party had only just begun selecting Cabinet members and was working towards reconvening Parliament within the next two to three weeks' time, around mid-January.

Leadership Meeting

A meeting of the party's leadership with the NAR candidates was scheduled for 2 p.m. yesterday, following which the Strategy Committee was also due to meet.

Regarding a date for the local government elections, Mr Robinson said that he could not answer definitely, except to venture that these elections would have to be held very soon.

While the party would be making every effort to bring the relevant sectors together for discussion to produce a 1987 Budget, he said that no date had yet been fixed for this.

He told the media that the NAR intended to move along the lines of its 29-point Immediate Action Plan — detailed in its manifesto — as well as its Economic Recovery strategy.

Mr Robinson reiterated that all programmes proposed in the party's manifesto would not be implemented immediately, but would take place over a short period of time. Among those which would be implemented faster would be an Integrity Commission, strengthening of the Ombudsman's Office, opening up of government to the public via the media and other ideas.

Those which would take longer, he said, would be proposals for economic recovery, since Trinidad and Tobago was in a crisis situation. The new government would have to try to instill confidence by a number of measures, including partial reform of the tax system, shedding bureaucracy and speedier decision making processes.

Questioned about the new government's views on retrenchment, Mr Robinson said that this would be dealt with in the context of the needs of both labour and the private sector and in an atmosphere of co-operation and the promotion of mutual interests.

Regarding Trinidad and Tobago - Barbados relations, Mr Robinson said he saw no problem since there had been an improvement in both countries' relationship since the recent change in the Barbados government.

And on handling corruption: "Appropriate action will be taken where necessary. We don't propose to be soft, yet we don't propose to be vindictive either."

Fiscal Review

Port-of-Spain TRINIDAD GUARDIAN in English 20 Dec 86 p 1

[Article by Clevon Raphael]

[Text]

A COMPREHENSIVE review of the financial state of Trinidad and Tobago is to be undertaken as a matter of urgency, Prime Minister A.N.R. Robinson announced to journalists last night.

Mr Robinson spoke at the end of an historic meeting of Cabinet which began about 45 minutes after the new Cabinet was sworn in at President's House.

It was the first time journalists were invited to witness the start and end of a Cabinet meeting at the Prime Minister's Whitehall office.

Media representatives saw the occasion as the initial fulfilment of a pledge made by the National Alliance for Reconstruction (NAR) during the general election campaign of open

government.

Mr Robinson, who also announced the appointment of another team to supervise the smooth transfer of power, said the controversial Drug Report was handed over to Attorney General Selwyn Richardson.

An announcement would soon be made on when the 119-page document would be made public, he said.

Mr Richardson also disclosed that as a result of certain information received by the new NAR government about the shredding of files, all government ministries were being closely monitored by the Police.

He said also that the Police had an all points bulletin out for a jeep containing

files from another government Ministry.

Prime Minister Robinson told the journalists that chairman of the committee to review the country's financial position would be Doddridge Alleyne, Trinidad and Tobago's Permanent Representative to the United Nations.

Chairing the team on the smooth takeover is newly-appointed Economic Adviser to Cabinet, Eugenio Moore.

At the start of the meeting Mr Robinson's first act was to dramatically brandish to the media team and his Cabinet colleagues the Drug Report which he said he had received earlier in the day from the Adviser in the Ministry of National Security.

Bar to Document Removal

Port-of-Spain TRINIDAD GUARDIAN in English 20 Dec 86 p 1

[Text]

POLICE, acting on a tip-off, yesterday seized a vanload of documents that was being moved out from the Ministry of Health.

A three-man team of senior police officers, headed by Asst Commissioner Alec Heller, was instructed to visit both the Ministry of Health and the Central Tenders Board following a report that files were being destroyed, or moved out.

The Police have also been asked to move in to prevent any such moves at the Development Finance Company

(DFC).

Both Prime Minister A.N.R. Robinson and Attorney General Selwyn Richardson have been apprised of the situation.

Only last weekend, as he wound up the NAR's election campaign, Mr Robinson had called on his predecessor to instruct his Ministers to stop destroying public documents in Government Ministries, and to preserve them for the incoming government.

Following yesterday's report, the Ministries have been placed under police guard.

Guards at State Firms

Port-of-Spain SUNDAY GUARDIAN in English 21 Dec 86 p 1

[Article by Clevon Raphael]

[Text]

POLICE guards have been placed on round-the-clock duty at several Government enterprises including the Industrial Development Corporation (IDC), Trinidad and Tobago Oil Com-

pany (Trintoc), the Development Finance Company (DFC) and the Ministry of Health on Sackville Street.

Unconfirmed reports also stated that the guards, who are armed, were also at the offices of

the National Energy Corporation (NEC) and the Export Development Corporation (EDC).

Police officials yesterday confirmed reports that they had been instructed by Government officials to guard certain premises and to see that no documents or files or anything left the premises.

The SUNDAY GUARDIAN was told yesterday that no one was being allowed to enter any of these buildings over the weekend, though the source said that officials, workers and members of the public would be free to enter tomorrow when normal business hours resume.

"This is simply a precaution," the source said, "to ensure that no official documents are removed. We have evidence that this has been happening in some instances and it is to prevent it that the police guards have been posted. As soon as the new administration takes over tomorrow this action will not be necessary."

This followed Friday evening's action when police, acting on a tip-off, seized a van loaded with documents, which were being removed from the Ministry of Health. Following the seizure a team of policemen headed by Asst. Commissioner Alec Heller visited the Ministry of Health and the offices of the Central Tenders Board.

Government officials said yesterday the action was taken to safeguard official documents as there was evidence of documents and files being either removed from these offices or destroyed. Workers in all these various enterprises, the source said, would be free to return to work tomorrow morning but no one was being allowed on the premises over the weekend.

Destruction Of Papers

Reports of removal and destruction of documents came to light before last Monday's general election which elected the National Alliance for Reconstruction (NAR), ending the 30-year rule of the People's National Movement. At a public rally on December 13, A.N.R. Robinson, who assumed office of Prime Minister last week, called on the then PNM Government to stop the destruction of state papers.

In a related story, a number of constituency groups of the NAR have called on the newly elected Government to take action against certain former officials suspected of corruption. In a document presented to the party yesterday, the groups wrote that the NAR "campaigns strongly against corruption during the election and must not allow anyone engaged in irregularities to get away with it."

The letter stated that the move was not designed to encourage the Government to engage in a witch-hunt but thought strong measures should be taken to ensure that those found guilty were made to answer so that anyone contemplating abuse of office would be deterred.

In the meantime, sources said the boards of state authorities and state enterprises were expected to resign, enabling the new administration to appoint new chairmen and members. A number have already done so, but not all.

"This is the convention," the source told the SUNDAY GUARDIAN, "and we expect that it will be followed in Trinidad and Tobago. Failing this the Government will have to follow its own course of action."

At last Monday's election the NAR won 33 of the 36 seats in the House of Representatives.

This afternoon from 1 o'clock the NAR is holding a rally of reconciliation on the Queen's Park Savannah, opposite Whitehall.

NAR POST FOR PANDAY LEAVES UNION LEADERSHIP UNSETTLED

Port-of-Spain DAILY EXPRESS in English 19 Dec 86 p 3

[Text]

NATIONAL Alliance for Reconstruction (NAR) deputy political leader Basdeo Panday was scheduled to meet with the executive of All Trinidad Sugar and General Workers' Trade Union (ATSGWTU) last night to discuss his resignation as president general of the union to take up a ministerial post in the new NAR Government.

ATSGWTU officials at the Rienzi Complex, Couva, were tight-lipped about the matter. But it was learnt that while Panday was not legally bound to vacate his post, yet on moral grounds he would oblige. Last night's meeting, it was learnt, would discuss the direction and role of the union in the light of the massive victory of the NAR. Panday had always stressed the importance of the industrial and political struggles.

According to the union's rules, vice president Boysie Moore-Jones will act in the post until the general council votes on a replacement. The rules do not allow an automatic filling of the post by the vice president. It was learnt that several contenders were in the wings waiting to offer themselves for the position. But, according to one union source, the likely candidate to be supported by the membership will be the incumbent general secretary Sam Maharaj. Maharaj had been a close confidant of Panday and has been serving in that position for eight years. He represented the union at several conferences all over the world.

Panday had served as president general for the past 13 years and had presided over the financial stability of the

union. ATSGWTU moved from a penniless organisation in 1973 to a multi-million dollar organisation, which includes a headquarters, a trading company and a cultural centre. The union expanded from representing only sugar workers to workers in other industries.

Panday had argued the union's case for an increase in wages for sugar workers both before the Industrial Court and the Court of Appeal this year.

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CSO: 3298/077

PNM YOUTH BACK MARSHALL FOR OPPOSITION LEADERSHIP

Port-of-Spain TRINIDAD GUARDIAN in English 17 Dec 86 p 1

[Text]

YOUTH LEAGUE of the People's National Movement (PNM) is backing Morris Marshall for the post of Opposition Leader in the new parliament.

Mr Marshall, one of the three victorious candidates for the PNM in Monday's general elections, won the Port-of-Spain East seat and resigned his job as a secondary school teacher to contest the polls.

The party's hierarchy is expected to meet sometime this week to decide on which of the trio should be appointed to the post.

The other two winners were former Energy Minister Patrick Manning (San Fernando East), and former Sports, Culture and Youth Affairs Minister Mrs Muriel Donawa MacDavidson, who won the Laventille seat.

An official of League told the Guardian yesterday:

"The electorate, by its definite and decisive swing against the PNM, has shown that the country wants new leaders and we cannot see any of the other two winning PNM candidates representing new blood in the parliament.

"Mr Marshall is the ideal person for that job being completely new to the parliament."

A party spokesman added that the PNM, which on Monday lost office after being in power for the past 30 years, would also be dealing with the question of the post of Political Leader.

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CSO: 3298/077

PNM MAY KEEP CHAMBERS AS ITS POLITICAL LEADER

Port-of-Spain TRINIDAD GUARDIAN in English 20 Dec 86 p 13

[Article by John Babb]

[Text]

MOVES are afoot within the People's National Movement (PNM) to retain former Prime Minister George Chambers as the Political Leader of the party.

Already two PNM constituencies have passed resolutions which they intend to submit at Sunday's meeting of the party, asking Mr Chambers to withdraw his resignation.

The PNM Women's League, it is understood, however is seeking to have Mr Chambers hold on as Political Leader until the party holds its next convention, and would seek to have the position filled.

Mr Chambers resigned as Political Leader of the PNM following Monday's devastating defeat of the party by the National Alliance for Reconstruction (NAR) in the General Election. Even Mr Chambers himself fell a victim to the NAR onslaught, losing his St Ann's East seat to Lincoln Myers, who had fasted for 40 days on the steps of the Hall of Justice as a mark of protest against corruption in the former government.

Also lost

Following Mr Chambers's resignation, former government backbencher, Dr Joe Laquis, who also lost his seat (Diego Martin Central) on Monday, has indicated his intention to seek election to the post of Political Leader of the PNM.

Some party members, old-stagers, still recovering from the shock of Monday's defeat, were incensed over Dr Laquis's announcement of his intention on television Thursday night. Many of them have already written him off.

On Sunday, the PNM will hold two important meetings at its headquarters — Balisier House. The General Council of the party will meet first, to be followed by a meeting of the general membership.

Tipped

Apart from the issue of finding a Political Leader to carry on, the party will also decide on which of the three members — Patrick Manning, Muriel Donawa-McDavidson and Morris Marshall — who won their seats in Mon-

day's election, will be Leader of the Opposition. Mr Manning has already been tipped for the post for which, it is known, there has been some in-fighting.

Apart from selection of an Opposition Leader, the PNM will also seek to select its six nominees for the Senate as required under the Constitution of Trinidad and Tobago.

On this issue of Senate nominees, there has also been widespread party debate as to the persons who should be selected. Some are of the view that it would be best to bring back a few of the defeated Ministers, who, experienced as they are, would have a full grasp of the workings of the various Ministries. But then again, that is if they are prepared to surrender themselves for Senate nomination.

If the party decides to make this move it will not be setting any precedent. Previously, the Opposition has done so, and the PNM, too, in the case of the late Basil Pitt.

Following both meetings on Sunday, the party has scheduled a Press Conference at Balisier House.

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CSO: 3298/077

UNIONS, OTHER GROUPS CONGRATULATE NAR, PLEDGE SUPPORT

Weekes' Letter

Port-of-Spain TRINIDAD GUARDIAN in English 17 Dec 86 p 15

[Article by John Alleyne]

[Text] George Weekes, president general of the Oilfield Workers' Trade Union (OWTU), yesterday sent a letter of congratulations to new Prime Minister A. N. R. Robinson.

He wrote: "Dear Mr Robinson, on this momentous occasion, let me on behalf of the executive committee and the membership of the OWTU firmly clasp your hands, warmly embrace you to demonstrate our congratulations to you and your party on your tremendous victory in the general elections.

"The people of Trinidad and Tobago have given your party a clear mandate for the next five years in the hope that the problems of the past could be effectively solved.

Tremendous Responsibility

"We are aware that your new Government has been elected at a critical time in the country's history and that, therefore, your mandate also means that a tremendous responsibility has been placed on your shoulders. As promised, we look forward to the new opening in the affairs of Government and the trade union movement, other organisations and the people generally.

"This will assist tremendously in the resolution of the many national problems with which you will be confronted and you can count on our commitment in this process of dialogue in an attempt to resolve these issues.

"Once again our warm congratulations and future best wishes," Mr Weekes concluded.

Port-of-Spain TRINIDAD GUARDIAN in English 17 Dec 86 p 26

[Text]

THE TWO main labour organisations— Trinidad and Tobago Labour Congress and the Council of Progressive Trade Unions— have written to the new Prime Minister, A.N.R. Robinson, offering congratulations on his party's election victory and at the same time pledging co-operation to the new Government.

The Congress letter, signed by General Secretary Carl Tull, states: "The Trinidad and Tobago Labour Congress conveys its warmest congratulations to you and your party on your resounding victory at the polls.

"We also wish to congratulate you on your appointment as Prime Minister of our Republic and wish to assure you of Labour's intention to work with your Government for the betterment of the people of Trinidad and Tobago."

sovereignty and to fully democratise our society.

"I am sure that your new Government, in the

light of a three persons Opposition, will recognise the need to encourage and preserve strong and vibrant patriotic institutions such as the trade unions and community organisations."

Congratulations

The CPTU's letter to Mr Robinson, signed by General Secretary Cecil Paul: "I am directed by the Central Executive of the Council of Progressive Trade Unions to convey my organisation's congratulations to you and your party on your victory in the 1986 general election.

"The CPTU is willing to co-operate and work with your new Government in order to promote the economic, social, cultural and political development of Trinidad and Tobago and to preserve our national independence and

Other Congratulations

[Editorial Report] The Port-of-Spain TRINIDAD GUARDIAN and DAILY EXPRESS in English on 19 and 22 December 1986 carry reports on congratulatory messages and pledges of support sent to the new NAR Government.

The GUARDIAN of 19 December, page 3, cites messages from the Seamen and Waterfront Workers Trade Union, the Credit Union Cooperative Bank, and the Hardware Dealers Cooperative Society. On page 7 of the same issue, the paper reports on the message from the Islandwide Rice Growers Association; the item reports the message as saying in part: "...the new government should focus attention in the direction of bringing relief to [rice growers] 'since we want to be self-sufficient in rice production.'"

The EXPRESS of 19 December, page 47, reports on the message from the National Council of Hindu Organizations, which said in part: "We solemnly declare our wish to work with the new government in its endeavour to better and restructure our nation spiritually, orally, politically, socially, culturally and economically."

The GUARDIAN on 22 December, page 3, notes the message from the Islamic Missionaries Guild of the Caribbean and South America, which said in part: "The advent of the National Alliance for Reconstruction (NAR) marks the beginning of a new era in the history of our country, giving our people new hope and a brighter vision of the future. We note with profound pleasure that, for the first time, we have been able to achieve interracial unity and solidarity which we so richly deserve.

"We are fully aware of the severe constraints under which your government will have to operate as you grapple with the numerous ills that plague our society, but we have great confidence in your ability to negotiate them successfully."

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CSO: 3298/077

CARONI CONFIDENT OF MEETING 100,000-TON SUGAR TARGET

Port-of-Spain TRINIDAD GUARDIAN in English 19 Dec 86 p 7

[Article by Mikey Mahabir]

[Text]

SAN FERNANDO—GENERAL MANAGER Russell Wotherspoon has expressed confidence that Caroni Limited is capable of producing the 100,000-tonne target it set for 1987.

In his Christmas message to employees, he said that as they approached Christmas 1986 and the New Year, he was torn between confidence and concern.

"I am confident, based on our achievements of 1986, that we are capable of producing the 100,000-tonne target that we have set for 1987. The tremendous response of managers and workers alike to the problems that beset us in 1986 has made it clear that our concern for productivity and communication have been heeded by all.

Labour Problems

"In this we have been ably assisted by the cane farming sector which for a long time has been clamouring for a greater stake in the industry. Their time has come.

"I am confident when I see the kind of preparation that has gone into this coming crop, whether in the fields or in the factories. It is heartening to see the commitment with which every one has approached the tasks of gearing for 1987."

Mr. Wotherspoon said he was also confident that with the strides made in food production they will soon be able to have a wide variety of items available on the local market and play a crucial role in

national self-sufficiency in food.

But his concern, however, springs from several major considerations.

The first, and most important, is that the company cannot afford any labour problems in 1987. The memory of the 1986 work-to-rule still lingers, he said.

The second is that the company has curtailed malicious and unplanned cane fires which have cost them considerably in the past. "For this, we need your help and active co-operation," he told the employees.

The third factor is that "as we go into 1987, we have to review our labour requirements in line with our revenue expectations. Our dependence on the national treasury must be reduced. I hope that you now understand why I am both confident and concerned about our future," he stated.

Mr. Wotherspoon said that he asked in the past for the active support of all in turning around the company by increasing productivity. "That has become even more important now."

He concluded: "My family and I wish you a Holy Christmas and a productive New Year."

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CSO: 3298/077

ARREST OF FIVE MORE FISHERMEN BY VENEZUELA REPORTED

Port-of-Spain DAILY EXPRESS in English 19 Dec 86 p 3

[Text]

FIVE Cedros/Icacos fishermen, in two boats, were arrested by the Venezuelan National Guards while fishing off Soldado Rock in the Gulf of Paria at the weekend.

The names of the arrested fishermen were given as Jagdeo Mohan, Kenneth Mohan, Damadhan, Gunpat Soomai and Anil Beharry. The men and boats are still under detention at Tucupita, the report said.

St Patrick County Councillor Basdeo Manmohansingh said the men were fishing off Soldado Rock when the arrest took place. The incident took place Friday evening.

According to Councillor Manmohansingh the men were fishing in an area that did not require special permits. At any rate, said Manmohansingh, the passes had expired and the shrimping season was already open.

Manmohansingh called on the new National Alliance for Reconstruction (NAR) Government to resolve the matter and to ensure that the arrested fishermen returned home for Christmas.

A report said relatives of the detained men had secured permission from the Venezuelan Embassy to visit Tucupita and Perdarnales to seek the release of the men. Councillor Manmohansingh said that he hoped the new government would renegotiate the fishing treaty with Venezuela and take steps to ban trawling in the Gulf of Paria.

At present, there are also two boats detained at Tucupita for reported contraband activities.

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CSO: 3298/077

BRIEFS

NEW GOVERNOR--London. 18 Dec (AP)--The Foreign Office announced here yesterday the appointment of a new Governor for the Turks and Caicos Islands, after Britain's resumption of direct rule of the Caribbean dependency, in the wake of a series of alleged corruption scandals. Belfast-born Michael Bradley, 53, is a former Attorney-General of the eight-island dependency, and currently Attorney-General of the neighbouring Cayman Islands. The Foreign Office said Bradley was to go to the Turks and Caicos in the new year. Britain dismissed the Government of the islands in July, after a commission of inquiry found Chief Minister Nathaniel Francis and four other members of the elected Legislative Council unfit to hold public office. The previous Chief Minister, Norman Saunders, was jailed by a US court for protecting drug-smuggling through the islands. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 19 Dec 86 p 5] /9274

CSO. 3298/071

HAVANA RADIO COMMENTS ON 'FULL STOP' LAW

PA231335 Havana International Service in Spanish 2300 GMT 22 Dec 86

["Our America" commentary read by Pedro Garcia]

[Text] Early on Monday, after almost 3 days of intensive and heated debates, the Uruguayan parliament approved the controversial impunity [impunidad] bill which declares as lapsed [caducas] the cases against the members of the military and police who were charged with violating human rights during the past dictatorships.

On Sunday, a few hours after the Senate approved the bill, violent clashes took place between the police and demonstrators protesting the senatorial decision on Montevideo's streets. The debates continued at the Chamber of Deputies, which finally decided to approve the bill, by which the state relinquishes its power to try the crimes committee by the police and military before 1 March 1985 either for political reasons, in fulfillment of their duties, or during actions ordered by their higher commands.

Aside from what is coldly established by the law--which was rejected by some of the senators of the National Party [PN] and all representatives of the Board Front leftist coalition--political observers agree that pressure from the Armed Forces achieved the objective of putting a full stop to the investigations on tortures and disappearances of people. In this regard, Uruguayan Vice President Enrique Tarigo said that the military mentality of disobeying justice forced the political parties to look for a solution that would avoid an institutional breakdown.

The facts proved that PN Senator (Alberto Zumaran) was right when he said that the bill was being put to a vote under heavy pressure from the military. However, the truth is that very difficult times are looming ahead for Uruguay's democracy. Even though President Julio Maria Sanguinetti proclaimed that the law was being promulgated as a formula to promote reconciliation in society and to reincorporate the Armed Forces into society's fold, the human rights organizations claim that the exact opposite will occur.

The democratic Uruguayan Government may pay a high price for having adopted this decision because the majority of the population, which is opposed to the bill, thinks and asserts that it will be impossible to coexist with those who, until recently, committed serious abuses against thousands of innocent people.

According to official reports, over 5,000 Uruguayans were thrown in jail. Hundreds disappeared, and most prisoners claim they were tortured or subjected to other types of pressures during the military administrations.

It must also be borne in mind that the bill was approved 1 day before Lieutenant Colonel (Jose Gabasso) was summoned to testify. (Gabasso) has been accused of various crimes and faces a pending request for extradition from Argentine courts.

While intensive demonstrations of popular repudiation continue on the streets near the Uruguayan parliament's building, nobody has any doubts now about the military's resistance to appearing in court. This fact has prompted the authorities to approve the law on impunity, which will make it possible to establish the truth on the violations of human rights. However, this will open the door to a repetition of abuses of this type in the future.

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CSO: 3348/145

SANGUINETTI ON NATIONAL RECONCILIATION, FOREIGN POLICY

PA272012 Mexico City XEW Television Network in Spanish 0530 GMT 26 Dec 86

[Interview with President Julio Maria Sanguinetti by Jacobo Zabłudovsky, ECO NOTICIAS News Agency correspondent, at the Libertad Presidencial Building in Montevideo, Uruguay; date not given--recorded]

[Text] [Zabłudovsky] A few minutes ago, Mr President, when I was coming to this building, I saw certain slogans painted on walls that read: Neither pardon nor forget. I asked about them, and was told that they refer to a possible amnesty for members of the former regime who are suspected of having committed crimes against human rights, is this so?

[Sanguinetti] It is a controversy existing in the country. It is a consequence of the old regime. Uruguay has experienced a democratic opening that is undoubtedly very successful and peaceful. We can say that we not only have full respect for human rights now but are truly exercising these rights through a climate of security and freedom that you can witness in the streets. There is not only freedom, but security and tranquility. Despite all this, there is a debate over the past. The discussion of the past and the painful remnants of the past can be faced in one way or another. There are countries that have faced these problems by trying the military officers and the guerrillas. This is what happened in Argentina, where there are some military officers in jail along with former guerrillas or subversives. This problem can also be faced by doing the opposite, as is the case in Uruguay. What we had in Uruguay was a general amnesty for the subversives first. It was a general amnesty for those rebels in jail and for those who had been accused but were at large or in exile. Then, we granted a general amnesty.

We did not believe in granting an amnesty that was so general, but congress approved a general amnesty, and this was the agreement we reached.

After that, we maintained that there should also be a general amnesty for the military men. Why? Because it seemed to us that there could not be a general amnesty for only the subversives without granting an amnesty to the military side. We would not be treating this matter fairly.

We would either try everyone or no one for the sake of the future. As time goes by, I become more convinced that the country should favor a political solution and leave the past definitely behind; to continue consolidating this

project of institutional restoration that is rendering such positive results.

[Zabludovsky] It means that the army, at this moment in the democratic life of Portugal [as heard], plays a different role to that which it played only 3 or 4 years ago?

[Sanguinetti] Generally, the Uruguayan Armed Forces, beyond any opinion, which may vary, show complete discipline. Let us say that these were not armed forces that turned over power after a military defeat, which was in the Argentine case. It was not the case of a revolution, which is what occurred in other places. In Uruguay, the armed forces voluntarily turned over power [words indistinct]. Secondly, they respected the electoral results. Thirdly, they have maintained discipline under civilian rule. In other words, they do not issue any military statements or declarations. We could say that this political silence is not only a mere attitude of abstention, it is truly an attitude of obedience and cooperation.

Therefore, regardless of any opinion, there is a fact: We have experienced 20 months of a full, general, unrestricted, and calm democracy with the armed forces, which are still giving us their support.

The controversy is over people--most of them are no longer members of the armed forces, but are retirees--who create problems for the institution.

[Zabludovsky] So, we could say that this is not a basic problem at this time in Uruguayan politics?

[Sanguinetti] I would say yes, to the extent that we all give too much importance to it. But I do believe that we must all feel and understand that we must not mortgage the present and the (?future) because of the struggles and legitimate emotions of the past.

[Zabludovsky] This leads me to ask you, President Sanguinetti, how you--the man who has headed the recovery of democracy in Uruguay--how would you describe the country's political establishment at this time and its immediate future?

[Sanguinetti] Well, let us say that if you look at the country from March, 1985, when the democratic government began, until today, we can show that first in the international arena, Uruguay jumped from an isolationist to an activist international role, one characterized by leadership in matters of Latin American integration, in very important treaties and agreements that Uruguay has signed with Mexico, Venezuela, Argentina, and Brazil. Second, domestically speaking, Uruguay is characterized by the full, unrestricted, and complete existence of the branches of its government as a result of free elections. Third, in the economy, an area which was in serious trouble, we see that the problems which seemed to be difficult or impossible to surmount have been overcome. In other words, the country has been able to grow despite the problem of the foreign debt.

Uruguay, a country that during the last 3 years of the former regime had lost 14 percent of its GNP, has reversed this trend and has begun to increase

its GNP. This year, we are increasing exports by 30 percent compared with last year. Real income rose and unemployment dropped. While the country's economic climate might not be one of prosperity, it does show clear signs of recovery. This is even conceded by the opposition.

We see many positive signs. However, there are negative signs too and they basically surface in the obsolescence of certain administrative structures which need modernization as well as in the obsolescence of certain sectors of the industrial apparatus which require modernization and better technology. In addition, there are some--not all--political and trade union practices which are also a thing of the past.

[Zabludovsky] Can this drive for modernization and better technology you mention be achieved in a country whose inflation will be...how much this year?

[Sanguinetti] It will be 75 percent. Well, that is an obstacle but it does not mean that it is impossible. We could say that the inflation is a phenomenon that must be fought. However, it is not the sine qua non condition for development or for stagnation.

Brazil is a proven example of a country which can grow with inflation. In the past 3 years, Brazil grew at a significant annual rate with a high inflation. Brazil is the biggest growth phenomenon in Latin America and one of the biggest in the world. It has achieved this with inflation.

Therefore, there is no direct link between inflation and obstacles to growth. But this does not mean that inflation is good. The opposite is not good either.

The problem is that if any country of the world could find a way to reactivate the economy without any inflationary risk, or the opposite, to destabilize prices without leading to a recession...[changes thought] I would say that there is no economist who can achieve this. It is very difficult to achieve an economic reactivation without inflationary risks.

We have boosted an economic reactivation, an increase in production, in the real salary, in exports, and in the flow of foreign exchange for the country. However, we have been unable to reduce inflation.

This is the way it is. However, I would say that in this case inflation is not a phenomenon of stagnation. On the contrary, it is one of the troubles of growth. We have not been able to reduce it because too much foreign exchange has entered the country, this is basically the reason.

[Zabludovsky] What is the reason for this integration with Brazil and Argentina, both of whom have very different economies?

[Sanguinetti] Good fortune.

[Zabludovsky] Who do you say good fortune, Mr President?

[Sanguinetti] Because they complement each other. Because to accomplish this integration among equal economies is not easy, but a great integration can be obtained with very different economies. This is what is happening with Mexico, where we have the geographical problem, and economies that complement each other. Brazil is an enormous industrial power. Brazil's GNP is some \$250 billion, which is greater than that of the remaining South American countries, not including Mexico. Brazil's GNP is greater than the GNP of all South American countries. It is a country with an industrialization process, which on our scale is also important, but it cannot be compared to the Brazilian. However, Brazil is a large importer of food and of basic products. We on the other hand are exporters of those products. I would say that it seems a bit absurd for Brazil to continue importing milk or cheese from the European community, when its neighbor Uruguay, produces these kinds of products of very good quality.

Therefore, there is a complementary [words indistinct].

[Zabludovsky] I have the impression that you give a special importance to the economic problems. Mr President, you have said that the fundamental problems among countries are ideological and spiritual. Is this not a contradiction?

[Sanguinetti] No, it is not. The fact that economic problems have a great importance does not mean that one has a materialistic view of the world. It is something very different. [Words indistinct] Economic phenomena are undoubtedly distinguished by spiritual factors. Why? Because economics is not an abstract phenomenon. What is economics? It is merely a way of observing or analyzing specific facts. If today you see someone who sells you 5,000 pairs of jeans, how would you define this? If you are an economist you would say this is an economic action, a deal. However, if I were to see this as a jurist I would say that it is a purchase-sale contract. If I were a sociologist I would say it is a fashion phenomenon, the unification and spreading of a specific way of dressing that is new and has been imported from some countries; it is imitative. Thus, you have three different ways to look at the same event.

But the event is the same. Simply stated, there is an individual who sells trousers and another one who buys them, to sell to others. But the event is the same. In other words, economics must not be looked at as standing alone. Economics is a social phenomenon which takes place within society and which includes basically spiritual and biological factors. One cannot explain capital without the phenomenon of Protestantism. And in our countries, one cannot explain our statist tendency without understanding the idea of what was once the colony, which was statist and centralizing and which we inherited from Spain. These are habits. Therefore, economics is very important but it is undoubtedly influenced by these factors. For this reason I insist on its modernization. Economics in our countries will not improve if we do not make it modern, a spirit which will take this rather quiet economy which we have today and make it jump.

[Zabludovsky] This means you are not in agreement with the Marxist determinism theory.

[Sanguinetti] No, indeed. Every day, the world and history show us that. Even the history of the Marxist countries is very clearly anti-Marxist. It cannot be understood and it is not so easy to state. The Russian revolution cannot be explained without Lenin and Trotskiy. If you leave Lenin and Trotskiy out, the bolsheviks could not have won. They won because they had better leadership than the others. That means it was a subjective factor. In other words, a materialist interpretation of history [does not finish sentence]...not even Russia is a good example of it.

[Zabludovsky] Mr President, the Southern Cone is having problems right now, especially with regard to the South Atlantic. Right now we are confronting a new acute problem in the Malvinas. What is Uruguay's position, aside from the declaration recently issued by the three foreign ministers regarding future events, and what do you feel could be an adequate solution to this problem?

[Sanguinetti] We are in solidarity with Argentina's right to the Malvinas. That has been and is still our position. We maintained it during the war of 1982 and we maintain it today very clearly we maintain that position without any misgivings because we feel, and we are more firmly convinced each day, that the solution will have to be a peaceful one, and it will have to arrive through efforts conducive to finding a peaceful solution. Such a solution is not easy to find; it is not easy to attain it, it is not easy to conceive of it, it is not easy to imagine it, in view of the existing controversy, which confronts two radically opposint positions. I say it again, we are on the side of Argentina and we are also for a peaceful solution. We are going to work to this end, we are struggling for it and we also wish to say something very important regarding this matter. All of us are very concerned and also involved in it because fishing affects all of the coastal countries, not only Argentina and not only England. It is also very important to state that Argentina is also concerned about this. We have talked with them about it and we have a spirit of cooperation. One must begin somehow.

[Zabludovsky] As regards the Contadora efforts in Central America, do you believe that it is still functional, that it can have positive results?

[Sanguinetti] It has not been functional in the sense that the matter has not brought to an end. It has been functional inasmuch as it has prevented greater harm. Therefore, Contadora has been that--neither more nor less. Even if it has not arrived at a durable peaceful solution, which is very difficult to attain, it must be admitted that for a long time it has prevented the harm from increasing and it has prevented war from occurring. Therefore there is a positive result, but I would say it is a limited result.

[Zabludovsky] Despite that there is a war going on in Nicaragua.

[Sanguinetti] That is a war which we might term a civil war. It is a, well, a domestic war with an ingredient of external help which does exist, but it is not a war between states.

[Zabludovsky] But let us get back to the recently inaugurated democracy in Uruguay, Mr President, in which we are so interested because it is an example for many countries of the world of the return to a democratic system without spilling one drop of blood and without damaging anybody's rights. The Tupamaros have recently issued statements in some European paper in which they state that now they do believe they can become legal.

[Sanguinetti] I would say that in Uruguay today, as in the Uruguay when the Tupamaros first appeared, there is the absolute possibility of expressing political ideas. What they wanted in their time was a very, very serious mistake. Therefore we believe and we trust, as does the great majority of the country, that this movement, which is not a popular movement, which has always been a very small group, an elite group, may reintegrate itself normally to political life. In fact, they have done it, or they are doing it. The great majority of the people have very different ideas from this type of radical movement whose ideology is vaguely Marxist, but not very well defined. We trust that they will stay within the peaceful way, in which we all may determine the supremacy, allowing the people to decide.

[Zabludovsky] But this movement was born when there was democracy in Uruguay?

[Sanguinetti] Yes, absolutely. This movement was born in 1962, at a time when there was not only a fully functioning democracy in Uruguay, but we had a government--it was not of my own political party, it was of the opposing party, the National Party--which an institutional system of which you could say anything except that it was authoritarian, because it was a collegiate regime of government. That feature was in fact the cause of changing the constitution because it was plain that such a regime was so weak, so given to deliberation, so considerate, almost parliamentary, that it definitely could not function as an executive. Therefore the executive returned to being unipersonal.

I tell you this to emphasize how far the radicals can be wrong in their views. Also very important is that these actions are not fairly evaluated, because these things cannot be evaluated just by looking at newspaper headlines. The Tupamaros were not fighters against dictatorship, because at the time when there was a dictatorship in Uruguay the Tupamaros were already defeated. The period of the Tupamaros struggle was from 1962 until 1973, the entire period within the democratic regime. They fought against democracy and never--not one single day--against dictatorship. And that is not only clear but also objective. This is not a matter for discussion. And unfortunately they were a destabilizing factor which definitely contributed to the existence--for the first time--of a military dictatorship in Uruguay.

[Zabludovsky] That means that these movements of a violent or terrorist nature some times--or perhaps always--contribute to creating the opposite of what they attempt to achieve.

[Sanguinetti] Violence is never harmless. Violence is always effective, but normally it obtains the opposite effect from what it seeks. Uruguay is

a case in point. Those who wanted to carry out a leftist revolution ended up by bringing about a rightist dictatorship.

[Zabludovsky] Mr President, you are a very clear exponent of political theory. What is a democracy for you and what is its basic element?

[Sanguinetti] Well, there are many definitions for democracy, aren't there? However, Lincoln's, which calls it the government of the people; by the people, and for the people, continues being true. I would say that basically democracy is a system of political institutions based on guarantees for citizens and on a government that stems legitimately from the people's wishes, with respect for the minority. Let us say that the fundamental requirement for democracy is a government elected by the majority. However, there is also an inviolable principle. It is the respect for the citizens and for minorities. That is the difference between a liberal and effective democracy and other governments calling themselves popular, but which are not democracies [passage indistinct].

[Zabludovsky] Mr President: If diversity of opinions and respect for the opinions of minorities is the basis of a democracy, then in the context of this continent, how do you believe that continental integration, which you have given so much support can be attained?

[Sanguinetti] In general terms this is a collective consciousness that depends on the political and cultural environments in which people think it should be done. It should not be stressed purely from a nationalistic angle, infused with idealism. Second, all objectives are carried out step by step. The mistake is in believing we are going to decree integration and that one day at 1800 integration will start. [words indistinct]

I am happy to say that we have accomplished a lot in these 2 or 3 years--a lot has been accomplished in Latin America--and since we have been in power [words indistinct] the smallest country in America [as heard] we have done our utmost in order to contribute to the integration process, without fear, without distrust, without the fear that sometimes grasps big countries [words indistinct] that try and separate geographically small countries. We have no complexes. Quite the contrary, we believe in going step by step.

[Zabludovsky] Mr President, about Uruguay's foreign debt: What relative importance does it have, how will it be repayed, or won't it be repaid, and finally, do you believe that a common debtors front can be formed?

[Sanguinetti] The foreign debt is a phenomenon of the last 3 years [words indistinct] it is administered. Undoubtedly for Uruguay it is an important debt. We are paying it, despite not having achieved economic recovery. Or put differently, repayment of the foreign debt has not hindered our economic recovery. The foreign debt is being paid by everyone. No one has stopped repayment. Cuba is repaying despite saying that it should not be paid. Many times people talk of the idea of not repaying, but personally I feel that not paying the foreign debt is to isolate oneself from the international financial and commercial systems. That definitely would be a malady that

would have to be repaid much more expensively, without doubt, much more expensively, than the foreign debt itself.

[Zabludovsky] At present in Latin America, there are perhaps fewer military regimes and a greater number of civilian regimes, and perhaps, too, a greater number of freely elected or democratic regimes than ever before in its history. Does this have any significance for you?

[Sanguinetti] A fundamental significance. Clearly, Latin America appears to be definitely reaching democracy. Moreover, this is fundamental to the process of integration. It is very hard to imagine an integration of governments having different origins and natures and which are often at odds over fundamental ideas or [words indistinct]. I could not and cannot imagine an EEC without [words indistinct]. In other words, Spain had to join the democratic process in order to be able to enter the EEC. Why? Because a (?fascist) regime was inconceivable alongside the democratic regimes of France and Germany which are founded on the upheavals that resulted in the tragic fall of the totalitarian regimes of the 30's. Therefore, the process of democratization which we are experiencing is important in itself because of what it means and constitutes. It means that our peoples have attained their permanent aspiration and fulfilled their commitment. Moreover, it is a great factor in stimulating integration.

[Zabludovsky] Is Uruguayan democracy here to stay?

[Sanguinetti] One should not view Uruguay the same way as other countries where dictatorships have been the norm, something which is very regrettable. Let us say that the country is historically democratic. I would say that the situation in Uruguay is unlike [other countries] and that all of us must protect democracy each day. When we think that Uruguay, which seemed to be Latin America's most stable country, which has had the most consolidated democracy, and which has been a country with the most deeply rooted political humanism--thanks to social laws and progressive political systems--fell, [into dictatorship] then we must also think that democracy (?must be protected) every day. I have no doubt that democracy in Uruguay has merely returned to its old course.

[Zabludovsky] Peruvian President Alan Garcia recently commented on the advisability of studying the possibility of establishing an organization of Latin American states. In other words....

[Sanguinetti interrupting] I have read news reports about that. However, I have not read the full scope of the proposal. I would like to comment on the (?news report). There is a system of Latin American institutions which has been working for some time, and could acquire new facets. This is an important idea.

[Zabludovsky] Clearly, Mr Garcia's idea is to set up an OAS without the United States.

[Sanguinetti] Viewed in those terms, I would say that the idea is (?useful). I would say that the idea is not to exclude anyone. We must think of

it in terms of Latin American reaffirmation, which is another matter. There are already Latin American systems and institutions such as ALADI, and those dealing with Latin American commerce such as SELA or others. I think that to continue enhancing this system is healthy and desirable. However, on the other hand, I also think that the idea is not to exclude the United States. No. We want to affirm our own things. We must sit down and hold discussion with the United States, if not at the OAS, then somewhere else. However, we must hold discussions with the United States because it is a very important neighbor. To us in the south it is a very important world power which cannot be ignored.

[Zabludovsky] What is Uruguay's stance vis-a-vis the two world powers. The United States and the Soviet Union? How are your relations with the two of them?

[Sanguinetti] We have very good diplomatic and commercial relations. There is a climate for good economic relations. Of course, we share a democratic system with the United States. We do not share a common (?view) regarding political and social organization with the Soviet Union. However, this does not affect our diplomatic relations which are pluralistic, of course. Likewise, we have many differences regarding matters involving foreign policies and economic relations.

[Zabludovsky] Recently, the leaders of the two world powers held a meeting which apparently ended in failure and heightened fears of a worldwide conflagration. How do you think that we could prevent [words indistinct].

[Sanguinetti] I think that the meeting was important and yielded positive results. I should think that it would be very naive to expect that a meeting between Reagan and Gorbachev would solve all problems of world peace right then and there. I feel that simplistic news reports often tend to encourage this naive view. I feel that the mere fact that they met and talked is by itself [words indistinct].

[Zabludovsky] Mr President, a few months ago you gave a speech at the OAS and concluded saying, Long Live Mexico! Can you explain that to me?

[Sanguinetti] That was at the United Nations.

[Zabludovsky] So that was at the United Nations.

[Sanguinetti] That was at the United Nations when the earthquake took place. I went to give a speech on behalf of Uruguay, during those very difficult days for Mexico. So I ended saying, Long Live Mexico! Some felt [words indistinct] as president of Uruguay. It did seem to be a true expression during a moment of so much solidarity and affection for a people whom Uruguayans love so much.

[Zabludovsky] Are there any similarities or coincidences between Mexican policies and Uruguay's in some areas....

[Sanguinetti interrupting] Many of them. On the occasion of my official visit to Mexico, I found many views coinciding with those of President De la Madrid. We cannot only have political views which coincide, but also personal coincidences.

[Zabludovsky] Millions of Spanish-speaking people are watching this program in the United States and several American countries, perhaps in Spain too. Do you have a message for those people watching us?

[Sanguinetti] My message is that Latin Americans through a new generation of leaders, and through the action of the new, strong, and revitalized democracies are experiencing a more mature phase in our own relations and in our own (?dignity). Latin Americans are truly reaching a mature phase, of our own reaffirmation, not because we are resentful or opposing something, but because we are affirming our identity and culture. No doubt, we are experiencing a time of [word indistinct]. We are carrying a lot of vices and holdovers from the past which are holding us back with hatreds, passions, and backwardness. We are overcoming them. I also feel that this Latin American community--which goes beyond the borders of the Latin American countries--does not weaken us. Instead, it enlarges us and expands us because our sensibilities, viewpoints, culture, and language reach larger spaces of the world and the Anglo-Saxon culture. Instead of diminishing us, this situation makes us grow and expand. I think that this is something we must tell the Spanish-speaking communities in the United States which represent us. They are permanent bridges, ties, embassies, and an expression of the horizon of the borders of our (?countries).

[Zabludovsky] Mr President, can the president be re-elected in Uruguay?

[Sanguinetti] No! There is no re-election, lucily.

[Zabludovsky] However, laws can be amended.

[Sanguinetti] It is a little harder to amend the Constitution.

[Zabludovsky] How long is the presidential mandate in Uruguay?

[Sanguinetti] Five years. So I still have 3 long years ahead of me.

[Zabludovsky] Thank you, Mr President, it was an honor to have met you in the Libertad Building, here in Montevideo. Thank you.

[Sanguinetti] Thank you.

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